

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐**APPLICATION FOR PERMIT TO DRILL****1. WELL NAME and NUMBER**

Chasel 3-23-4-1

2. TYPE OF WORKDRILL NEW WELL ☒ REENTER P&A WELL ☐ DEEPEN WELL ☐**3. FIELD OR WILDCAT**

MONUMENT BUTTE

4. TYPE OF WELL

Oil Well Coalbed Methane Well: NO

5. UNIT or COMMUNITIZATION AGREEMENT NAME**6. NAME OF OPERATOR**

NEWFIELD PRODUCTION COMPANY

7. OPERATOR PHONE

435 646-4825

8. ADDRESS OF OPERATOR

Rt 3 Box 3630 , Myton, UT, 84052

9. OPERATOR E-MAIL

mcrozier@newfield.com

**10. MINERAL LEASE NUMBER
(FEDERAL, INDIAN, OR STATE)
Fee****11. MINERAL OWNERSHIP**FEDERAL ☐ INDIAN ☐ STATE ☐ FEE ☒**12. SURFACE OWNERSHIP**FEDERAL ☐ INDIAN ☐ STATE ☐ FEE ☒**13. NAME OF SURFACE OWNER (if box 12 = 'fee')**

Henderson Ranches LLC

14. SURFACE OWNER PHONE (if box 12 = 'fee')**15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')**

RR 3 Box 3671, ,

16. SURFACE OWNER E-MAIL (if box 12 = 'fee')**17. INDIAN ALLOTTEE OR TRIBE NAME
(if box 12 = 'INDIAN')****18. INTEND TO COMMINGLE PRODUCTION FROM
MULTIPLE FORMATIONS**YES ☐ (Submit Commingling Application) NO ☒**19. SLANT**VERTICAL ☒ DIRECTIONAL ☐ HORIZONTAL ☐**20. LOCATION OF WELL****FOOTAGES****QTR-QTR****SECTION****TOWNSHIP****RANGE****MERIDIAN****LOCATION AT SURFACE**

852 FNL 1997 FWL

NENW

23

4.0 S

1.0 W

U

Top of Uppermost Producing Zone

852 FNL 1997 FWL

NENW

23

4.0 S

1.0 W

U

At Total Depth

852 FNL 1997 FWL

NENW

23

4.0 S

1.0 W

U

21. COUNTY

UINTAH

22. DISTANCE TO NEAREST LEASE LINE (Feet)

852

23. NUMBER OF ACRES IN DRILLING UNIT

40

**25. DISTANCE TO NEAREST WELL IN SAME POOL
(Applied For Drilling or Completed)**

1598

26. PROPOSED DEPTH

MD: 6905 TVD: 6905

27. ELEVATION - GROUND LEVEL

5045

28. BOND NUMBER

B001834

**29. SOURCE OF DRILLING WATER /
WATER RIGHTS APPROVAL NUMBER IF APPLICABLE**

43-7478

ATTACHMENTS**VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES**

WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER



COMPLETE DRILLING PLAN



AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)



FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER

DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY
DRILLED)

TOPOGRAPHICAL MAP

NAME Mandie Crozier**TITLE** Regulatory Tech**PHONE** 435 646-4825**SIGNATURE****DATE** 02/26/2010**EMAIL** mcrozier@newfield.com**API NUMBER ASSIGNED**
43047509670000**APPROVAL**

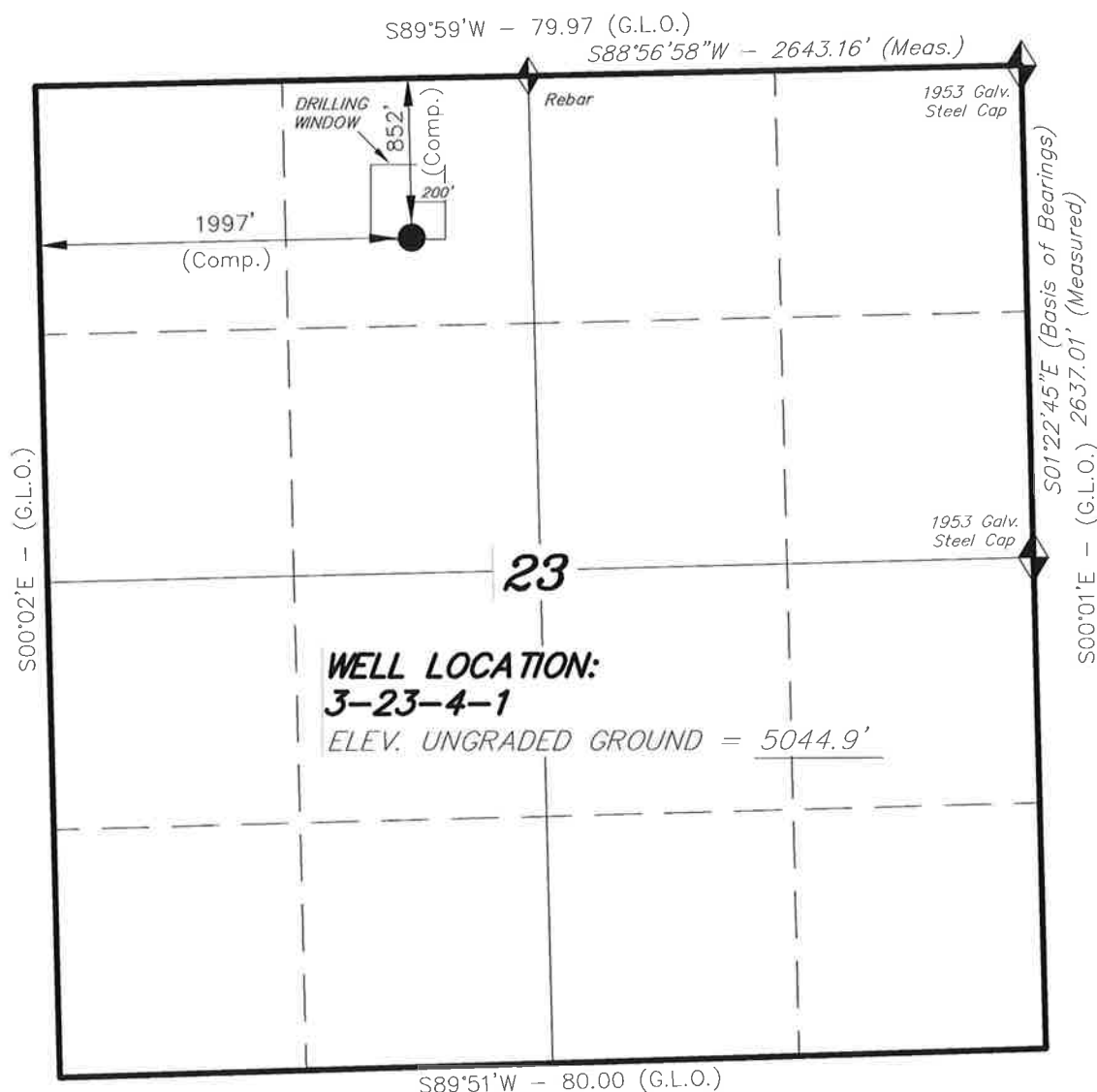
Permit Manager

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	5.5	0	6905		
Pipe	Grade	Length	Weight			
	Grade J-55 LT&C	6905	15.5			

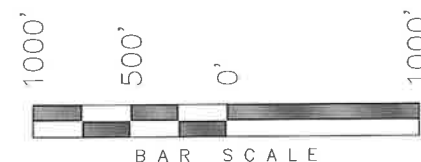
Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	8.625	0	350		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	350	24.0			

T4S, R1W, U.S.B.&M.

NEWFIELD PRODUCTION COMPANY



WELL LOCATION, 3-23-4-1, LOCATED AS SHOWN IN THE NE 1/4 NW 1/4 OF SECTION 23, T4S, R1W, U.S.B.&M. UTAH COUNTY, UTAH.



Note:

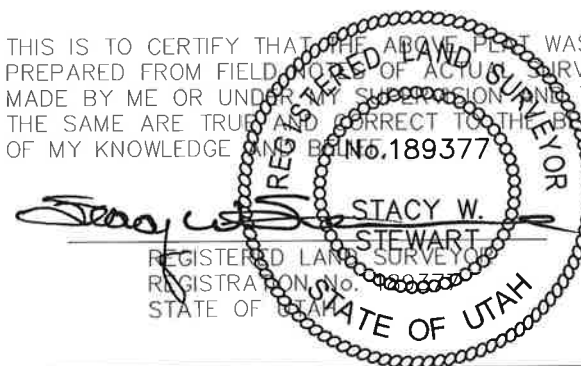
1. The Proposed Well head bears S35°51'56\"W 1065.43' from the North 1/4 Corner of Section 23.



**WELL LOCATION:
3-23-4-1**

ELEV. UNGRADED GROUND = 5044.9'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; Elevations are base on LOCATION: an N.G.S. OPUS Correction. LAT. 40°04'09.56\" LONG. 110°00'43.28\" (Tristate Aluminum Cap) Elev. 5281.57'

3-23-4-1
(Surface Location) NAD 83
LATITUDE = 40° 07' 31.45\"
LONGITUDE = 109° 57' 57.31\"

TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
(435) 781-2501

DATE SURVEYED: 01-18-10	SURVEYED BY: D.G.
DATE DRAWN: 02-03-10	DRAWN BY: M.W.
REVISED:	SCALE: 1" = 1000'

MEMORANDUM
of
EASEMENT, RIGHT-OF-WAY
and
SURFACE USE AGREEMENT

This Easement and Surface Use Agreement ("Agreement") is entered into this 22nd day of February 2010 by and between, **Henderson Ranches, LLC, Wayne and Moreen Henderson, Lance and Julie Henderson, Tommy Henderson, and Billie Henderson**, whose address is R.R. 3, Box 3671, Myton, Utah 84052 ("Surface Owner," whether one or more), and NEWFIELD PRODUCTION COMPANY, a Texas corporation ("NEWFIELD"), with offices at 1001 Seventeenth Street, Suite 2000, Denver, Colorado 80202, covering certain lands, (the "Lands") situated in Uintah County, Utah described as follows:

Township 4 South, Range 1 West
Section 23: NENW
(3-23-4-1, approx. 1.5 acres plus approx. 1,590ft of road and pipeline)
Uintah County, Utah

(limited to proposed roads, pipelines, & well pad only, as shown in attached plats)

For and in consideration of the sum of ten dollars (\$10.00), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree to the terms and provisions set forth as follows:

1. Compensation for Well; Release of All Claims

NEWFIELD shall pay to Surface Owner the sum as set forth in and according to the terms of that certain Letter Agreement for Easement, Right-of Way and Surface Use by and between Surface Owner and NEWFIELD, dated February 22nd, 2010, as full payment and satisfaction for any and all detriment, depreciation, injury or damage of any nature to the Lands or growing crops thereon that may occur as a result of NEWFIELD's drilling or completion operations or its continuing activities for the production or transportation of oil, gas, or other hydrocarbons or products associated with the foregoing including, but not limited to, surface use, access, pipelines, gathering lines, pipeline interconnections, and any and all other reasonable or customary uses of land related to said operations or activities.

2. Grant of Right of Way and Easement

Surface Owner hereby grants, bargains, leases, assigns, and conveys to NEWFIELD an easement and right-of-way for the purpose of construction, using and maintaining access roads, locations for surface equipment and subsurface gathering lines for each well drilled upon the Lands, pipelines, and pipeline interconnections for two years from date of this agreement and so long thereafter as NEWFIELD's oil and gas leases remain in effect.

This Agreement shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the undersigned.

These Parties hereto have executed this document effective as of the day first above written.

NEWFIELD PRODUCTION COMPANY

By: _____
Daniel W. Shewmake, Vice President-Development

SURFACE OWNER

By: Wayne Henderson
Wayne Henderson, Henderson Ranches. LLC

By: Wayne Henderson
Wayne Henderson

By: Lance Henderson
Lance Henderson

By: Tommy Henderson
Tommy Henderson

By: Moreen Henderson
Moreen Henderson

By: Julie Henderson
Julie Henderson

By: Billie Henderson
Billie Henderson

STATE OF UTAH)

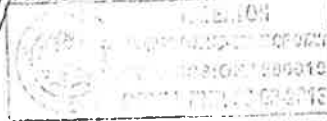
COUNTY OF Duchesne)^{ss}

This instrument was acknowledged before me this 22nd day of February, 2010 by **Wayne Henderson and Moreen Henderson**

Witness my hand and official seal.

My commission expires 9/8/2013

Notary Public



STATE OF UTAH)

COUNTY OF Duchesne)^{ss}

This instrument was acknowledged before me this 22nd day of February, 2010 by **Lance Henderson and Julie Henderson**

Witness my hand and official seal.

My commission expires 9/8/2013

Notary Public



STATE OF UTAH)

COUNTY OF Duchesne)^{ss}

This instrument was acknowledged before me this 22nd day of February, 2010 by **Tommy Henderson and Billie Henderson**

Witness my hand and official seal.

My commission expires 9/8/2013

Notary Public



STATE OF COLORADO)

COUNTY OF Denver)^{ss}

This instrument was acknowledged before me this _____, 2010 by **Daniel W. Shewmake-Development, as Vice President of Newfield Production Company**, a Texas corporation, on behalf of the corporation.

Witness my hand and official seal.

Notary Public

My commission expires _____

NEWFIELD PRODUCTION COMPANY
CHASEL 3-23-4-1
NE/NW SECTION 23, T4S, R1W
UINTAH COUNTY, UTAH

TEN POINT DRILLING PROGRAM

1. **GEOLOGIC SURFACE FORMATION:**

Uinta formation of Upper Eocene Age

2. **ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:**

Uinta	0 – 2,025'
Green River	2,025'
Wasatch	6,905'

3. **ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:**

Green River Formation (Oil)	2,025' – 6,905'
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Fresh water may be encountered in the Uinta Formation, but would not be expected below about 350'. All water shows and water bearing geologic units shall be reported to the geologic and engineering staff of the Vernal Office prior to running the next string of casing or before plugging orders are requested. All water shows must be reported within one (1) business day after being encountered.

All usable (<10,000 PPM TDS) water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth and adequately protected. This information shall be reported to the Vernal Office.

Detected water flows shall be sampled, analyzed, and reported to the geologic & engineering staff of the Vernal Office. The office may request additional water samples for further analysis. Usage of the State of Utah form *Report of Water Encountered* is acceptable, but not required.

The following information is requested for water shows and samples where applicable:

Location & Sampled Interval	Date Sampled
Flow Rate	Temperature
Hardness	pH
Water Classification (State of Utah)	Dissolved Calcium (Ca) (mg/l)
Dissolved Iron (Fe) (ug/l)	Dissolved Sodium (Na) (mg/l)
Dissolved Magnesium (Mg) (mg/l)	Dissolved Carbonate (CO ₃) (mg/l)
Dissolved Bicarbonate (NaHCO ₃) (mg/l)	Dissolved Chloride (Cl) (mg/l)
Dissolved Sulfate (SO ₄) (mg/l)	Dissolved Total Solids (TDS) (mg/l)

4. **PROPOSED CASING PROGRAM**

a. **Casing Design: Chasel 3-23-4-1**

Size	Interval		Weight	Grade	Coupling	Design Factors		
	Top	Bottom				Burst	Collapse	Tension
Surface casing 8-5/8"	0'	350'	24.0	J-55	STC	2,950 15.02	1,370 12.30	244,000 29.05
Prod casing 5-1/2"	0'	6,905'	15.5	J-55	LTC	4,810 2.19	4,040 1.84	217,000 2.03

Assumptions:

- 1) Surface casing max anticipated surface press (MASP) = Frac gradient – gas gradient
- 2) Prod casing MASP (production mode) = Pore pressure – gas gradient
- 3) All collapse calculations assume fully evacuated casing w/ gas gradient
- 4) All tension calculations assume air weight

Frac gradient at surface casing shoe = 13.0 ppg
Pore pressure at surface casing shoe = 8.33 ppg
Pore pressure at prod casing shoe = 8.33 ppg
Gas gradient = 0.115 psi/ft

All casing shall be new or, if used, inspected and tested. Used casing shall meet or exceed API standards for new casing.

All casing strings shall have a minimum of 1 (one) centralizer on each of the bottom three (3) joints.

b. **Cementing Design: Chasel 3-23-4-1**

Job	Fill	Description	Sacks	OH Excess*	Weight (ppg)	Yield (ft ³ /sk)
			ft ³			
Surface casing	350'	Class G w/ 2% CaCl	161 188	30%	15.8	1.17
Prod casing Lead	4,905'	Prem Lite II w/ 10% gel + 3% KCl	339 1105	30%	11.0	3.26
Prod casing Tail	2,000'	50/50 Poz w/ 2% gel + 3% KCl	363 451	30%	14.3	1.24

*Actual volume pumped will be 15% over the caliper log
- Compressive strength of lead cement: 1800 psi @ 24 hours, 2250 psi @ 72 hours
- Compressive strength of tail cement: 2500 psi @ 24 hours

Hole Sizes: A 12-1/4" hole will be drilled for the 8-5/8" surface casing. A 7-7/8" hole will be drilled for the 5-1/2" production casing.

The 8-5/8" surface casing shall in all cases be cemented back to surface. In the event that during the primary surface cementing operation the cement does not circulate to surface, or if the cement level should fall back more than 8 feet from surface, then a remedial surface cementing operation shall be performed to insure adequate isolation and stabilization of the surface casing.

5. **MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:**

The operator's minimum specifications for pressure control equipment are as follows:

An 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOP's will be check daily.

Refer to **Exhibit C** for a diagram of BOP equipment that will be used on this well.

6. **TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:**

From surface to ± 350 feet will be drilled with an air/mist system. The air rig is equipped with a 6 1/2" blooie line that is straight run and securely anchored. The blooie line is used with a discharge less than 100 ft from the wellbore in order to minimize the well pad size. The blooie line is not equipped with an automatic igniter or continuous pilot light and the compressor is located less than 100 ft from the well bore due to the low possibility of combustion with the air dust mixture. The trailer mounted compressor (capacity of 2000 CFM) has a safety shut-off valve which is located 15 feet from the air rig. A truck with 70 bbls of water is on stand by to be used as kill fluid, if necessary. From about ± 350 feet to TD, a fresh water system will be utilized. Clay inhibition and hole stability will be achieved with a KCl substitute additive. This additive will be identified in the APD and reviewed to determine if the reserve pit shall be lined. This fresh water system will typically contain Total Dissolved Solids (TDS) of less than 3000 PPM. Anticipated mud weight is 8.4 lbs/gal. If necessary to control formation fluids or pressure, the system will be weighted with the addition of bentonite gel, and if pressure conditions warrant, with barite

No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh aquifers.

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of this well.

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

Newfield Production will **visually** monitor pit levels and flow from the well during drilling operations.

7. **AUXILIARY SAFETY EQUIPMENT TO BE USED:**

Auxiliary safety equipment will be a Kelly Cock, bit float, and a TIW valve with drill pipe threads.

8. **TESTING, LOGGING AND CORING PROGRAMS:**

The logging program will consist of a Dual Induction, Gamma Ray and Caliper log from TD to base of surface casing @ 350' +/-, and a Compensated Neutron-Formation Density Log from TD to 3500' +/- . A cement bond log will be run from PBDT to cement top. No drill stem testing or coring is planned for this well.

9. **ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:**

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered or is known to exist from previous drilling in the area at this depth. Maximum anticipated

bottomhole pressure will approximately equal total depth in feet multiplied by a 0.433 psi/foot gradient.

10. **ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:**

It is anticipated that the drilling operations will commence the second quarter of 2010, and take approximately seven (7) days from spud to rig release.

2-M SYSTEM

Blowout Prevention Equipment Systems

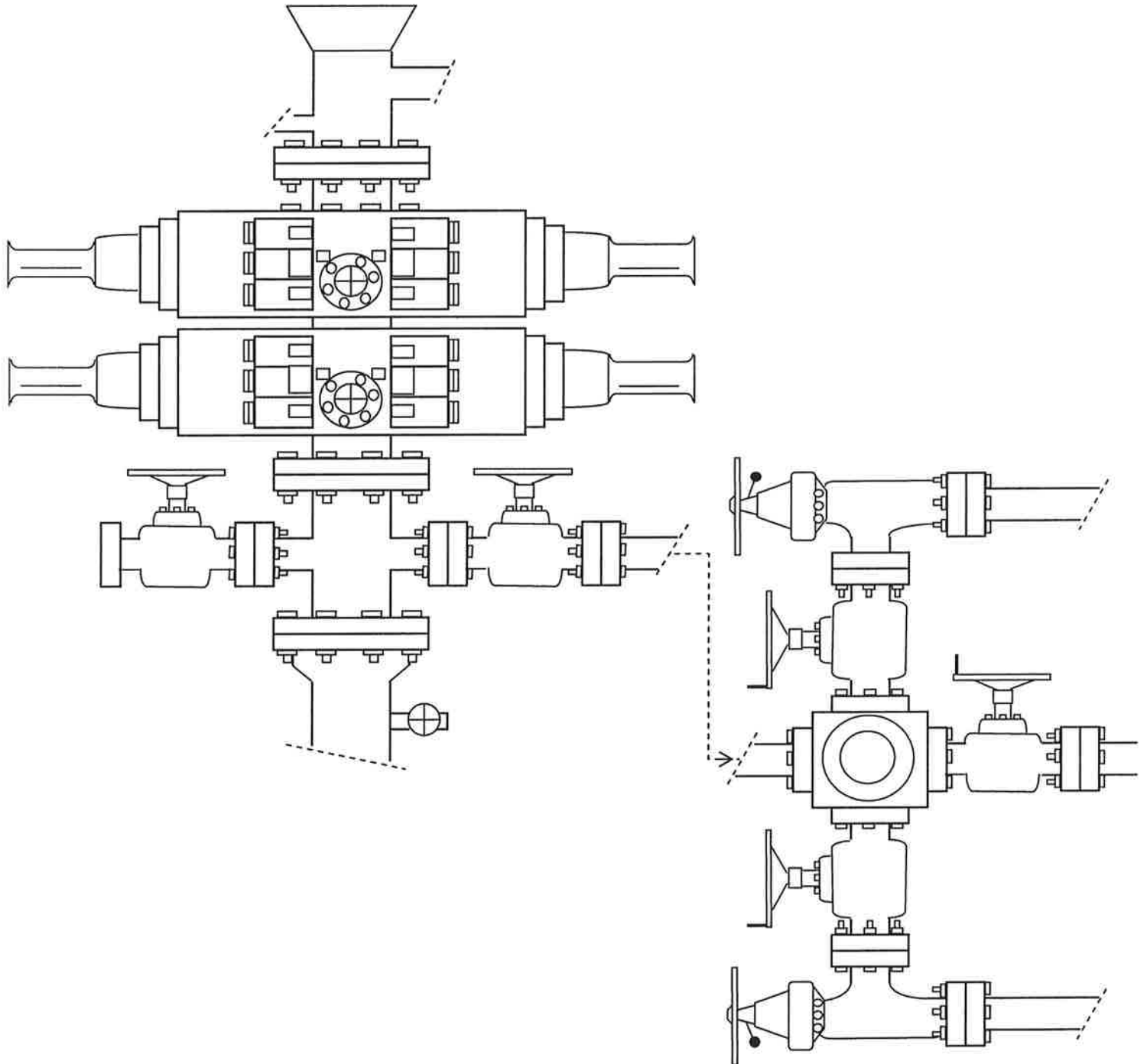
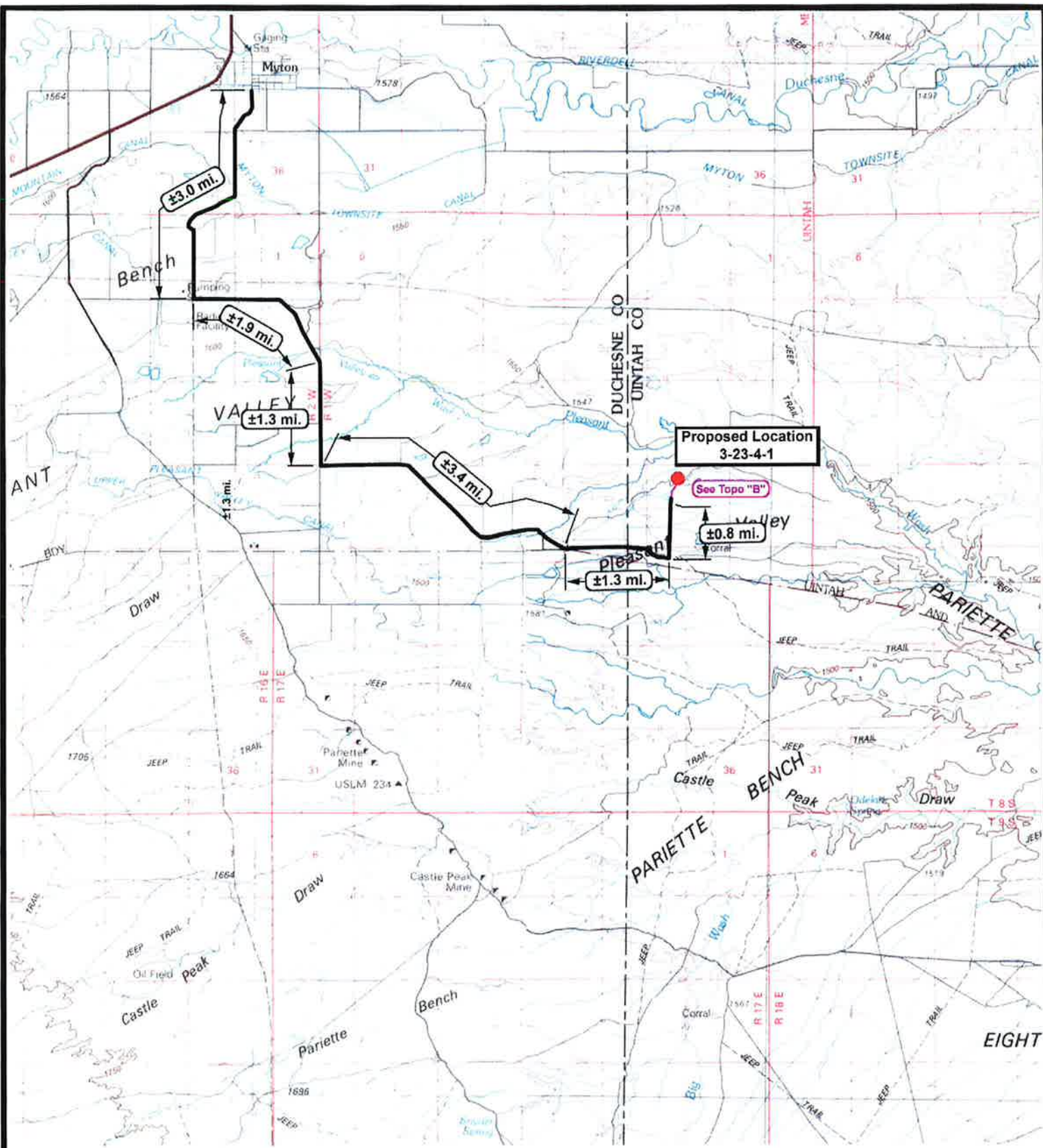



EXHIBIT C





NEWFIELD
Exploration Company

3-23-4-1
SEC. 23, T4S, R1W, U.S.B.&M.







Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 : 100,000
DRAWN BY: mw
DATE: 02-04-2010

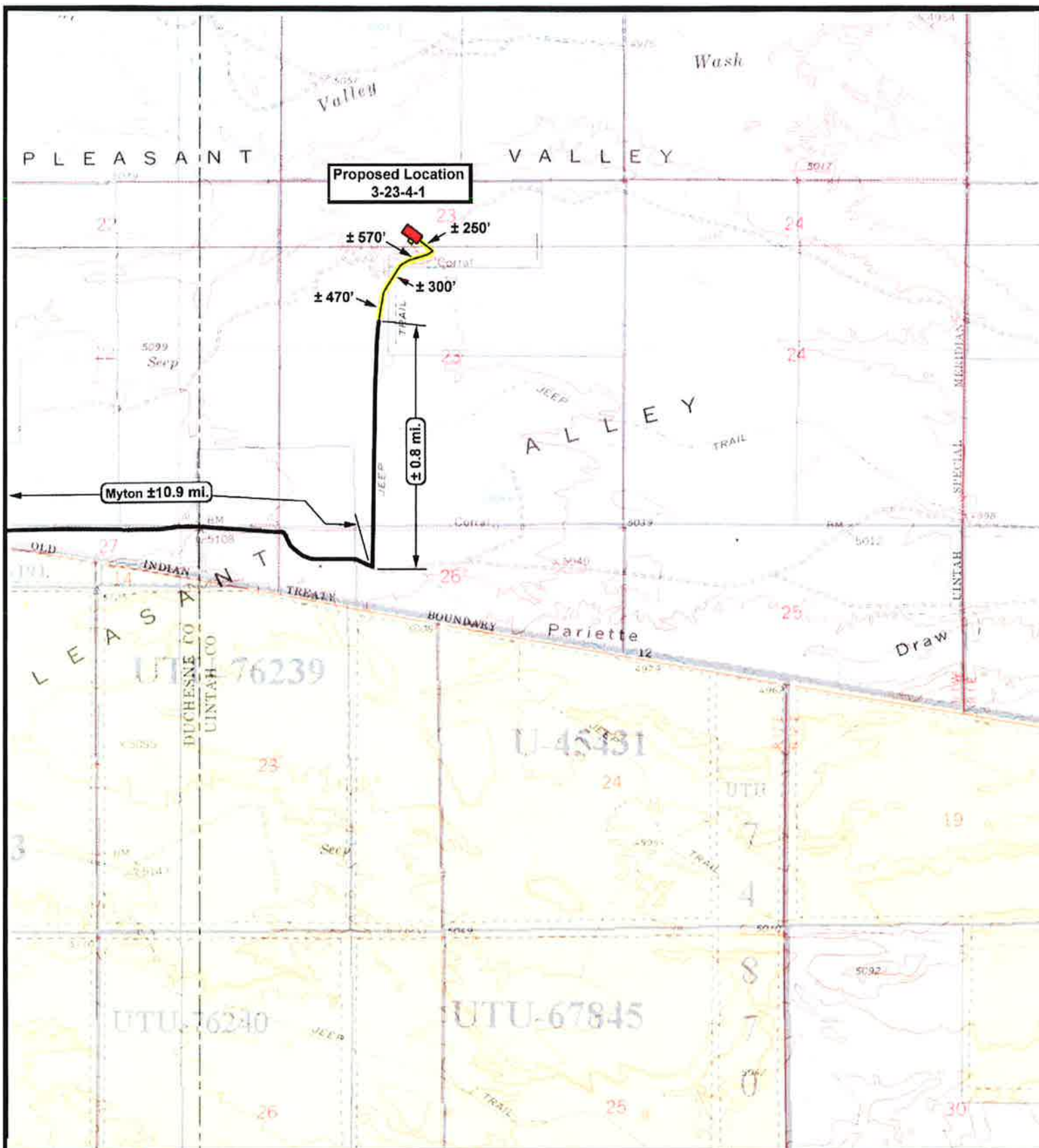
Legend




 Existing Road

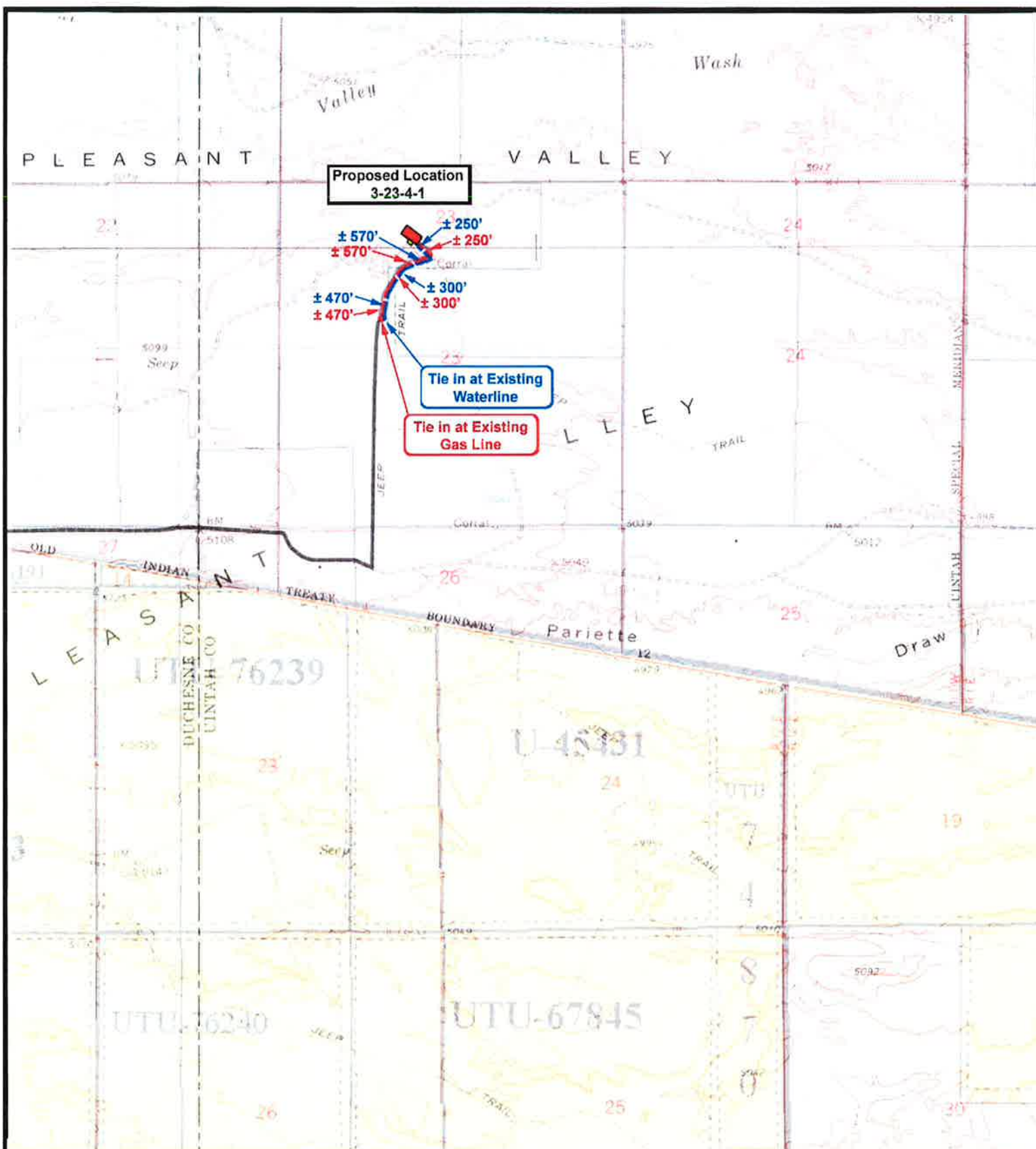
 Proposed Access




TOPOGRAPHIC MAP

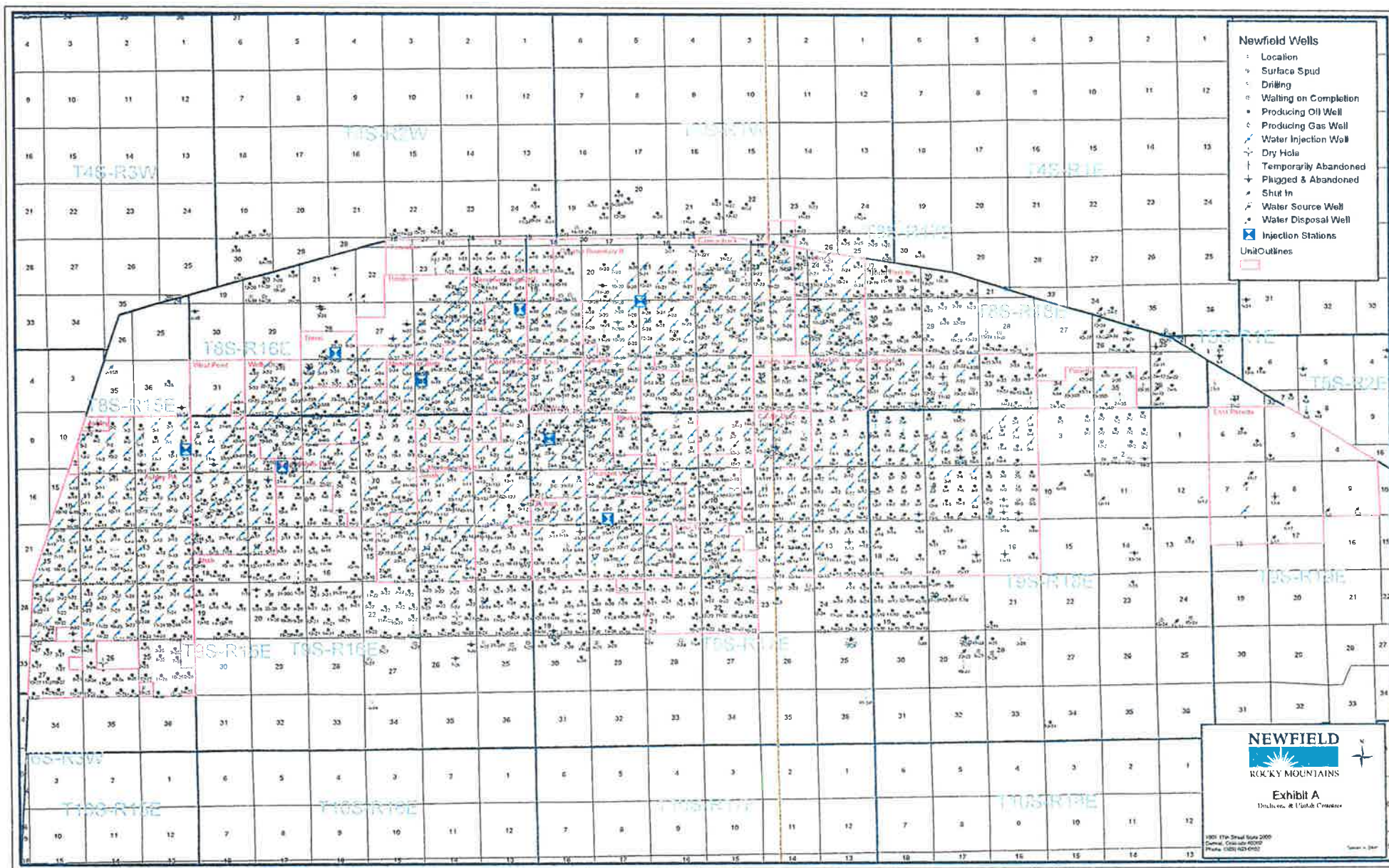
"A"

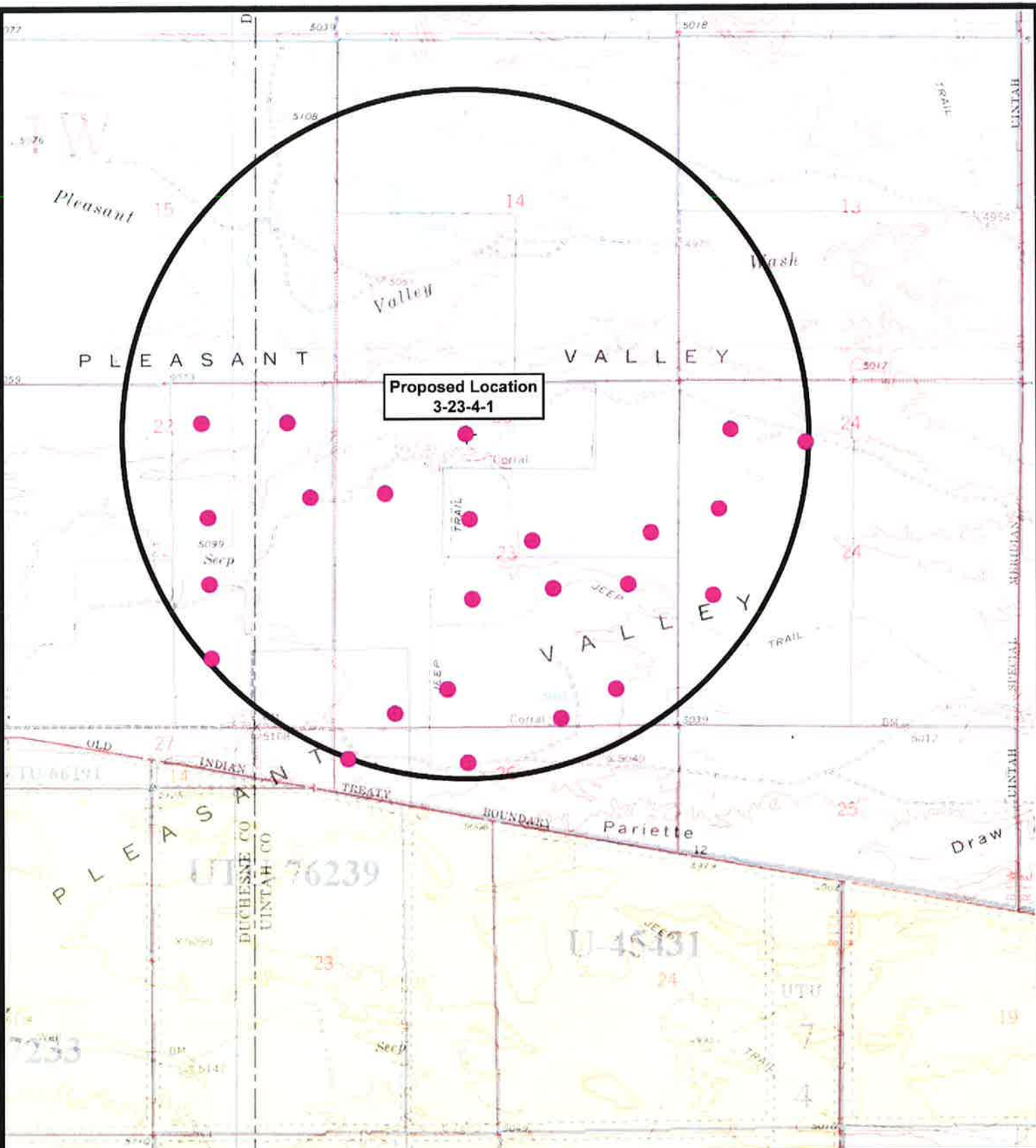


 <p>NEWFIELD Exploration Company</p>		 <p>Tri-State Land Surveying Inc. (435) 781-2501 180 North Vernal Ave. Vernal, Utah 84078</p>	<p>Legend</p> <p>Existing Road</p> <p>Proposed Access</p> <p>TOPOGRAPHIC MAP</p> <p>"B"</p>
<p>3-23-4-1 SEC. 23, T4S, R1W, U.S.B.&M.</p>		<p>SCALE: 1" = 2,000'</p> <p>DRAWN BY: mw</p> <p>DATE: 02-04-2010</p>	



 <p>NEWFIELD Exploration Company</p> <p>3-23-4-1 SEC. 23, T4S, R1W, U.S.B.&M.</p>		 <p>Tri-State Land Surveying Inc. (435) 781-2501 180 North Vernal Ave. Vernal, Utah 84078</p> <p>SCALE: 1" = 2,000'</p> <p>DRAWN BY: mw</p> <p>DATE: 02-04-2010</p>	<p>Legend</p> <ul style="list-style-type: none"> Roads Proposed Gas Line Proposed Water Line <p>TOPOGRAPHIC MAP</p> <p>"C"</p>
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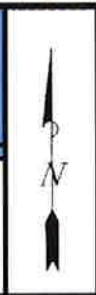






NEWFIELD
Exploration Company

3-23-4-1
SEC. 23, T4S, R1W, U.S.B.&M.





Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'

DRAWN BY: mw

DATE: 02-04-2010

Legend

● Location

One-Mile Radius

Exhibit "B"

NEWFIELD PRODUCTION COMPANY
CHASEL 3-23-4-1
NE/NW SECTION 23, T4S, R1W
UINTAH COUNTY, UTAH

THIRTEEN POINT SURFACE PROGRAM

1. **EXISTING ROADS**

See attached **Topographic Map "A"**

To reach Newfield Production Company well location site Chasel 3-23-4-1 located in the NE¼ NW¼ Section 23, T4S, R1W, S.L.B. & M., Uintah County, Utah:

Proceed in a southerly direction out of Myton, approximately 3.0 miles to it's junction with an existing road to the east; proceed in a southeasterly direction approximately 3.2 miles to it's junction with an existing road to the east; proceed in a southeasterly direction approximately 3.4 miles to it's junction with an existing road to the east; proceed easterly approximately 1.3 miles to it's junction with an existing road to the north; proceed northerly approximately 0.8 miles to it's junction with the beginning of the proposed access road to the north; proceed northeasterly along the proposed access road approximately 1,590' to the proposed well location.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 216 exists to the South, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County crews.

The aforementioned dirt oil field service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy-clay shale material.

The roads for access during the drilling, completion and production phase will be maintained at the standards required by the State of Utah, or other controlling agencies. This maintenance will consist of some minor grader work for smoothing road surfaces and for snow removal.

2. **PLANNED ACCESS ROAD**

Approximately 1,590' of access road is proposed. See attached **Topographic Map "B"**.

The proposed access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is deemed necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed along this road.

There are no fences encountered along this proposed road. There will be no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

3. **LOCATION OF EXISTING WELLS**

Refer to **EXHIBIT B**.

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery, the well pad will be surrounded by a dike of sufficient capacity to contain at minimum 110% of the largest tank volume within the facility battery.

Tank batteries will be built to State specifications.

All permanent (on site for six (6) months or longer) structures, constructed or installed (including pumping units), will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six months of installation.

5. **LOCATION AND TYPE OF WATER SUPPLY**

Newfield Production will transport water by truck for drilling purposes from the following water sources:

Johnson Water District
Water Right: 43-7478

Neil Moon Pond
Water Right: 43-11787

Maurice Harvey Pond
Water Right: 47-1358

Newfield Collector Well
Water Right: 41-3530 (A30414DV, contracted with the Duchesne County Conservancy District).

There will be no water well drilled at this site

6. **SOURCE OF CONSTRUCTION MATERIALS**

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road.

A mineral material application is not required for this location.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

A small reserve pit (90' x 40' x 8' deep, or less) will be constructed from native soil and clay materials. The reserve pit will receive the processed drill cutting (wet sand, shale & rock) removed from the wellbore. Any drilling fluids, which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed. All drilling fluids will be fresh water based, typically containing Total Dissolved Solids of less than 3000

PPM. No potassium chloride, chromates, trash, debris, nor any other substance deemed hazardous will be placed in this pit. A 16 mil liner with felt will be required. Newfield requests approval that a flare pit be constructed and utilized on this location.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

Immediately upon first production, all produced water will be confined to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved Class II wells to enhance Newfield's secondary recovery project.

Water not meeting quality criteria, is disposed at Newfield's Pariette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

8. **ANCILLARY FACILITIES:**

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. **WELL SITE LAYOUT:**

See attached Location Layout Sheet.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a) A 39-inch net wire shall be used with at least one strand of barbed wire on top of the net.
- b) The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be centered and/or braced in such a manner to keep tight at all times
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three (3) sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. **PLANS FOR RESTORATION OF SURFACE:**

- a) **Producing Location**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, material, trash and junk not required for production.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximated natural contours. Weather permitting, the reserve pit will be reclaimed within one hundred twenty (120) days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed.

b) **Dry Hole Abandoned Location**

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the State of Utah will attach the appropriate surface rehabilitation conditions of approval.

11. **SURFACE OWNERSHIP:** Henderson Ranches LLC.
See attached Memorandum of Surface Use Agreement and Easement ROW.

12. **OTHER ADDITIONAL INFORMATION:**

Newfield Production Company requests 1,590' of disturbed area be granted for construction of the proposed gas lines. It is proposed that the disturbed area will temporarily be 50' wide to allow for construction of a 6" gas gathering line, and a 3" poly fuel gas line, with a permanent width of 30' upon completion of the proposed gas lines. The construction phase of the proposed gas lines will last approximately (5) days. Both proposed lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."**

Newfield Production Company requests 1,590' of disturbed area be granted to allow for construction of the proposed water lines. It is proposed that the disturbed area will temporarily be 50' wide to allow for construction of a buried 3" steel water injection line and a buried 3" poly water return line and 30' wide upon completion of the proposed water lines. Both proposed lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."** In the event that the proposed well is converted to a water injection well, a separate injection permit will be applied for through the proper agencies.

- a) Newfield Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Newfield is to immediately stop work that might further disturb such materials and contact the Authorized Officer.
- b) Newfield Production will control noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. On State administered land it is required that a Pesticide Use Proposal shall be submitted and given approval prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on State Lands after the conclusion of drilling operations or at any other time without State authorization. However, if State authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

The Archaeological and Paleontological Report Waiver is attached.

Additional Surface Stipulations

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations, Onshore Oil and Gas Orders, the approved plan of operations and any applicable Notice to Lessees. A copy of these conditions will be furnished to the field representative to ensure compliance.

Hazardous Material Declaration

Newfield Production Company guarantees that during the drilling and completion of the Chasel 3-23-4-1, Newfield will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Newfield also guarantees that during the drilling and completion of the Chasel 3-23-4-1 Newfield will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Newfield Production Company or a contractor employed by Newfield Production shall contact the State office at (801) 722-3417, 48 hours prior to construction activities.

The State office shall be notified upon site completion prior to moving on the drilling rig.

13. **LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:**

Representative


Name: Tim Eaton
Address: Newfield Production Company
Route 3, Box 3630
Myton, UT 84052
Telephone: (435) 646-3721

Certification

Please be advised that Newfield Production Company is considered to be the operator of well #3-23-4-1, NE/NW Section 23, T4S, R1W, Uintah County, Utah and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Bond #B001834.

I hereby certify that the proposed drill site and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Newfield Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of the 18 U.S.C. 1001 for the filing of a false statement.

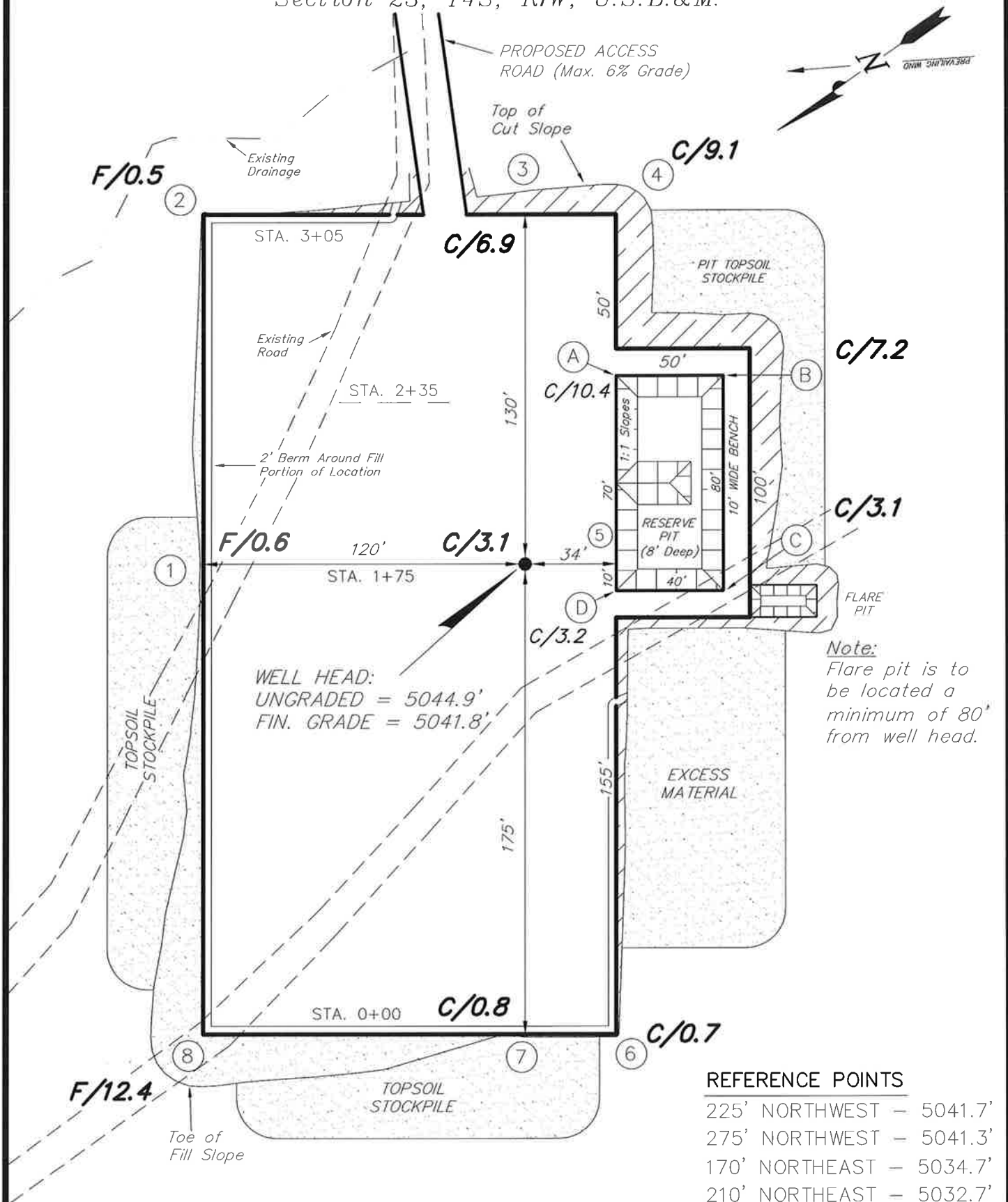
2/26/10
Date


Mandie Crozier
Regulatory Specialist
Newfield Production Company

NEWFIELD PRODUCTION COMPANY

3-23-4-1

Section 23, T4S, R1W, U.S.B.&M.



Note:
Flare pit is to be located a minimum of 80' from well head.

REFERENCE POINTS

- 225' NORTHWEST - 5041.7'
- 275' NORTHWEST - 5041.3'
- 170' NORTHEAST - 5034.7'
- 210' NORTHEAST - 5032.7'

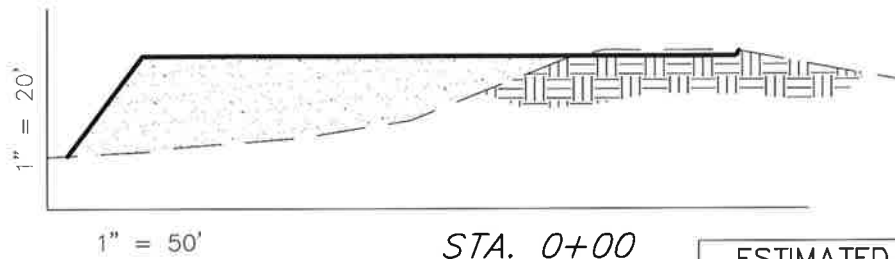
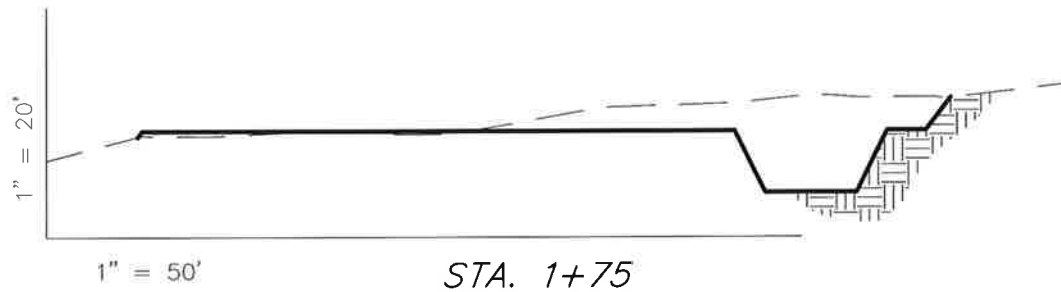
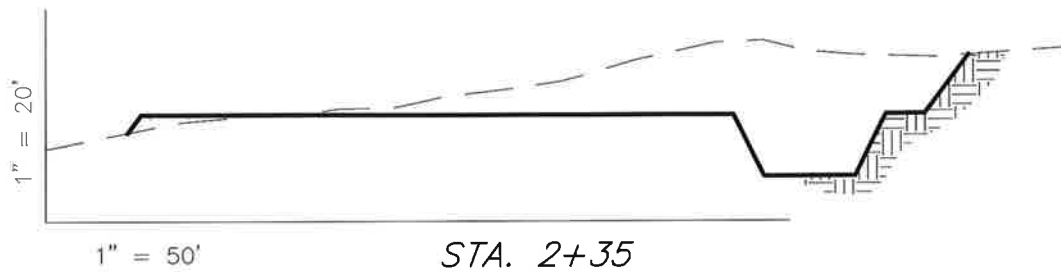
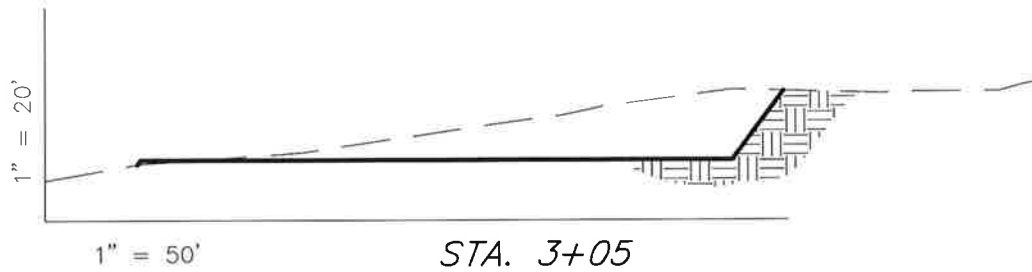
SURVEYED BY: D.G.	DATE SURVEYED: 01-18-10
DRAWN BY: M.W.	DATE DRAWN: 02-03-10
SCALE: 1" = 50'	REVISED:

Tri State
Land Surveying, Inc.
(435) 781-2501
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

NEWFIELD PRODUCTION COMPANY

CROSS SECTIONS

3-23-4-1



NOTE:
UNLESS OTHERWISE
NOTED ALL CUT/FILL
SLOPES ARE AT 1.5:1

ESTIMATED EARTHWORK QUANTITIES (No Shrink or swell adjustments have been used) (Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	3,910	3,900	Topsoil is not included in Pad Cut	10
PIT	640	0		640
TOTALS	4,550	3,900	1,110	650

SURVEYED BY: D.G.

DATE SURVEYED: 01-18-10

DRAWN BY: M.W.

DATE DRAWN: 02-03-10

SCALE: 1" = 50'

REVISED:

Tri State
Land Surveying, Inc.

(435) 781-2501

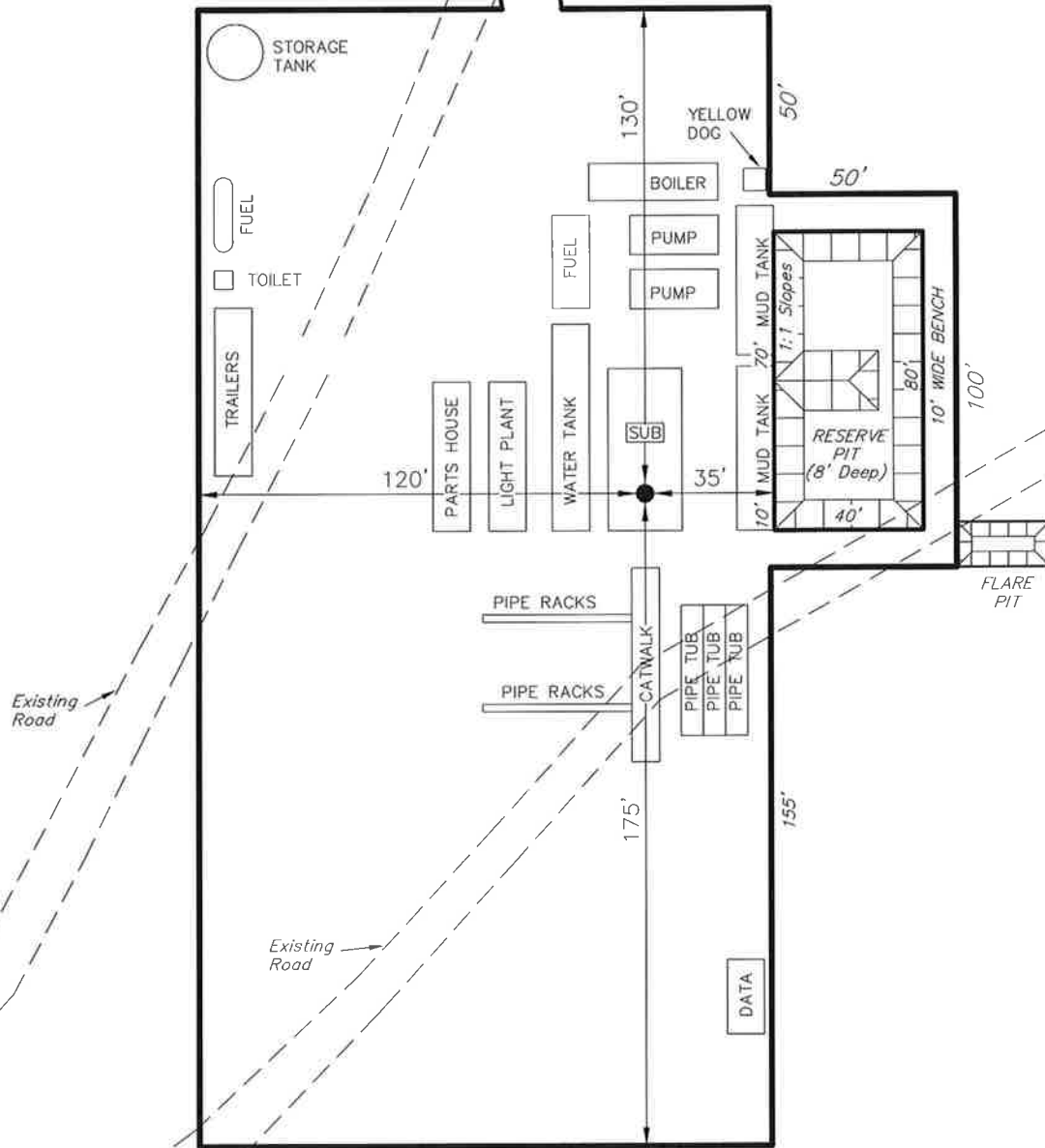
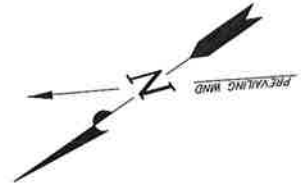
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

NEWFIELD PRODUCTION COMPANY

TYPICAL RIG LAYOUT

3-23-4-1

PROPOSED ACCESS
ROAD (Max. 6% Grade)



SURVEYED BY: D.G.

DATE SURVEYED: 01-18-10

DRAWN BY: M.W.

DATE DRAWN: 02-03-10

SCALE: 1" = 50'

REVISED:

Tri State
Land Surveying, Inc.

(435) 781-2501

180 NORTH VERNAL AVE. VERNAL, UTAH 84078

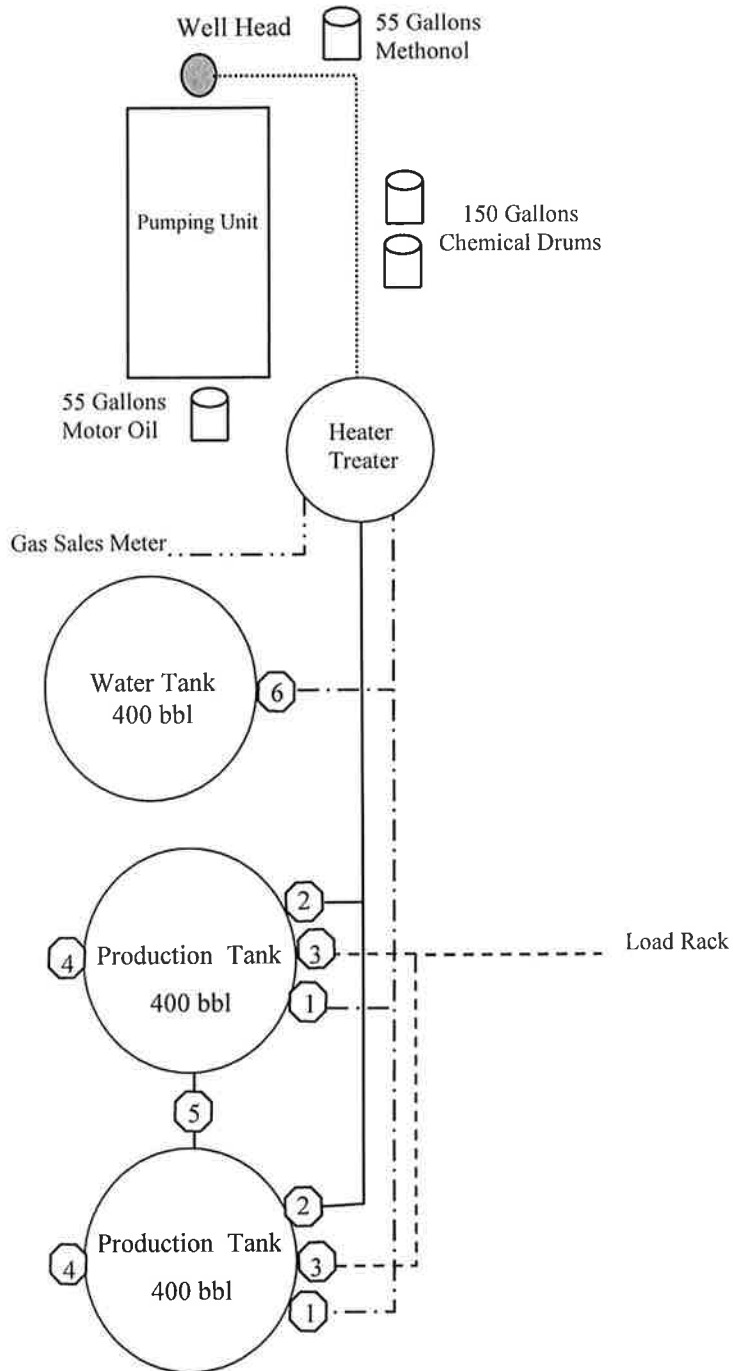
Newfield Production Company Proposed Site Facility Diagram

Chasel 3-23-4-1

NE/SW Sec. 23, T4S, R1W

Uintah County, Utah

FEE



Legend

Emulsion Line
Load Rack	-----
Water Line	- . - . - .
Gas Sales	- . . . - .
Oil Line	—————

Production Phase:

- 1) Valves 1, 3, and 4 sealed closed
- 2) Valves 2, 5, and 6 sealed open

Sales Phase:

- 1) Valves 1, 2, 4, 5, and 6 sealed closed
- 2) Valve 3 open

Draining Phase:

- 1) Valves 1 and 6 open

EXHIBIT D

Township 4 South, Range 1 West
Section 23: NENW (3-23-4-1)

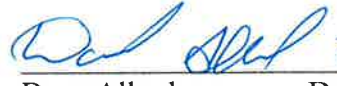
Uintah County, Utah

ARCHAEOLOGICAL & PALEOTOLOGICAL REPORT WAIVER

For the above referenced location only; Henderson Ranches, LLC, the private surface owner. (Having a Surface Owner Agreement with Newfield Production Company)

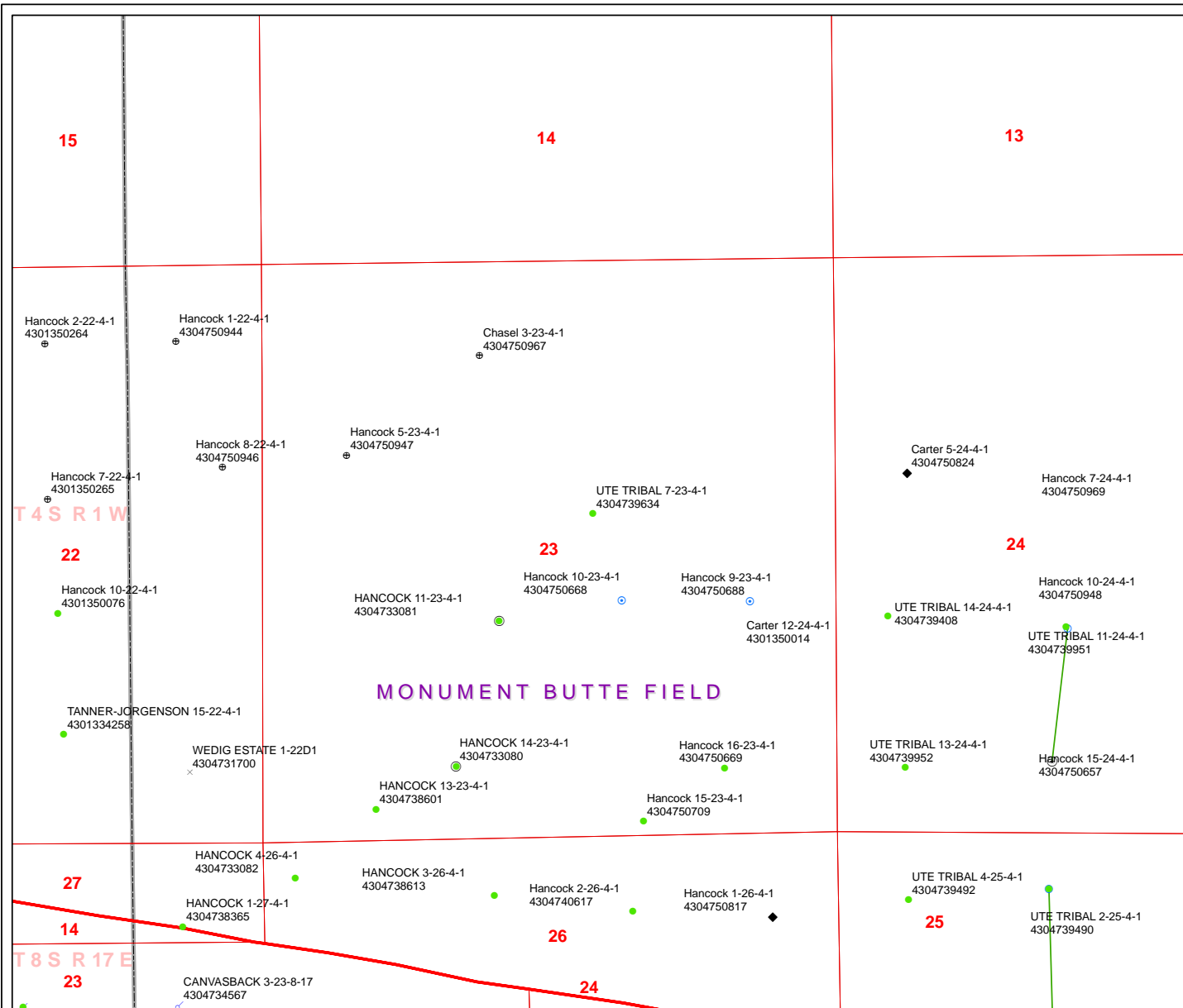
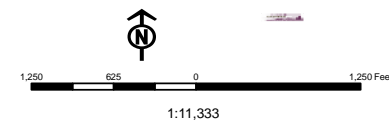
Wayne Henderson, representing this entity does agree to waive the request from the State of Utah and Bureau of Land Management for an Archaeological/Cultural and Paleotological Resource Survey for any wells covered by the Surface Use Agreement dated 2/22/2010 between the above said private land owner and Newfield Production. This waiver hereby releases Newfield Production Company from this request.

 2-22-10
Wayne Henderson Date
Private Surface Owner

 2-25-10
Dave Allred Date
Newfield Production Company

API Number: 4304750967
Well Name: Chasel 3-23-4-1
Township 04.0 S Range 01.0 W Section 23
Meridian: UBM
 Operator: NEWFIELD PRODUCTION COMPANY
 Map Prepared:
 Map Produced by Diana Mason

- | | |
|---------------|------------------------------------|
| Units | Wells Query |
| STATUS | Status |
| ACTIVE | APD - Approved Permit |
| EXPLORATORY | DRL - Spudded (Drilling Commenced) |
| GAS STORAGE | GIW - Gas Injection |
| NF PP OIL | GS - Gas Storage |
| NF SECONDARY | LA - Location Abandoned |
| PI OIL | LOC - New Location |
| PP GAS | OPS - Operation Suspended |
| PP GEOTHERMAL | PA - Plugged Abandoned |
| PP OIL | PGW - Producing Gas Well |
| SECONDARY | POW - Producing Oil Well |
| TERMINATED | RET - Returned APD |
| Fields | SGW - Shut-in Gas Well |
| Sections | SOW - Shut-in Oil Well |
| Township | TA - Temp. Abandoned |
| | TW - Test Well |
| | WDW - Water Disposal |
| | WW - Water Injection Well |
| | WSW - Water Supply Well |



Well Name	NEWFIELD PRODUCTION COMPANY Chasel 3-23-4-1 43047509670000			
String	Surf	Prod		
Casing Size(in)	8.625	5.500		
Setting Depth (TVD)	350	6905		
Previous Shoe Setting Depth (TVD)	0	350		
Max Mud Weight (ppg)	8.3	8.3		
BOPE Proposed (psi)	500	2000		
Casing Internal Yield (psi)	2950	4810		
Operators Max Anticipated Pressure (psi)	2990	8.3		

Calculations	Surf String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	151	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	109	YES Air drill
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	74	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	74	NO OK
Required Casing/BOPE Test Pressure=		350	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

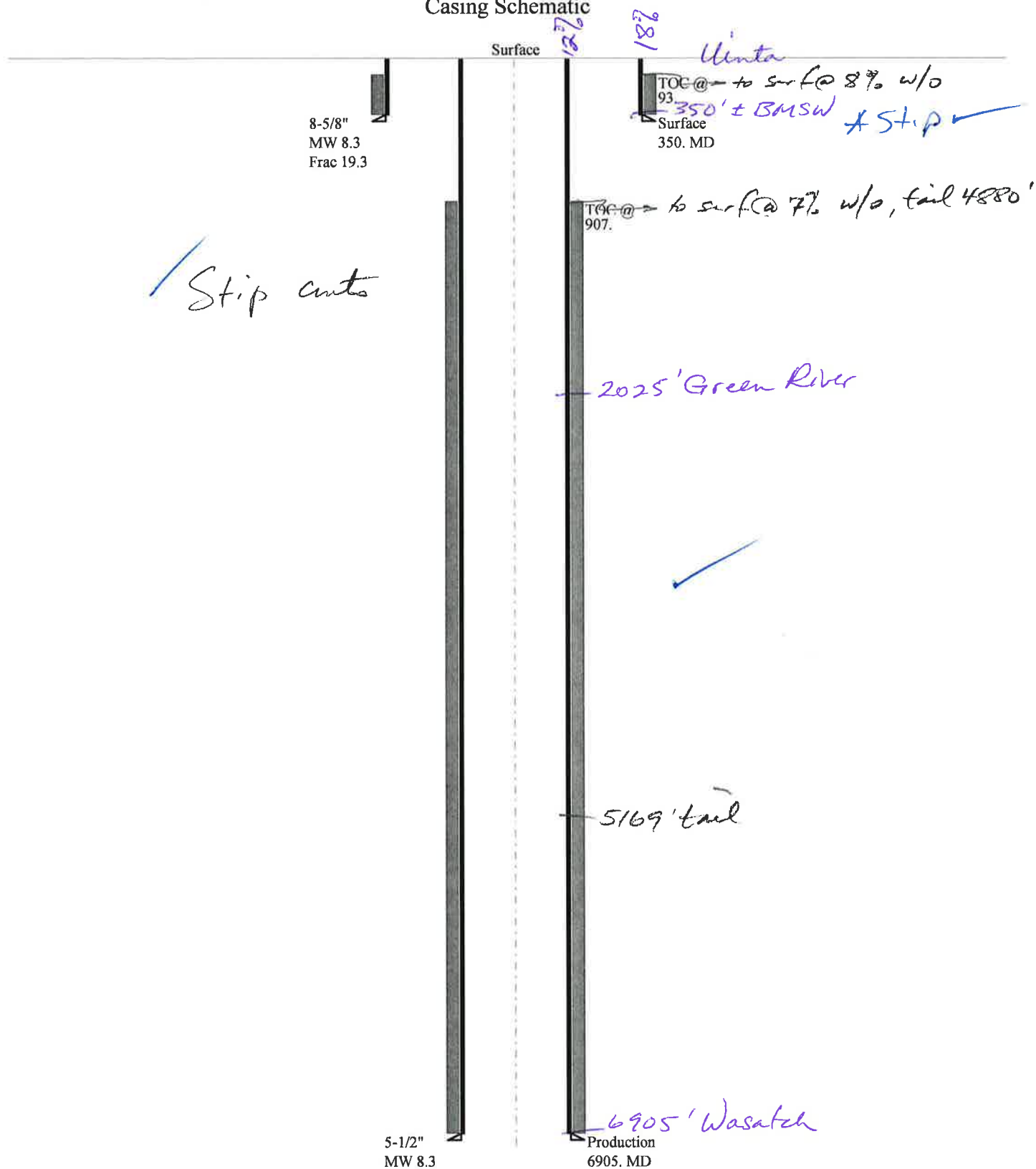
Calculations	Prod String	5.500	"
Max BHP (psi)	.052*Setting Depth*MW=	2980	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2151	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1461	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1538	NO Reasonable for area
Required Casing/BOPE Test Pressure=		2000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		350	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

43047509670000 Chasel 3-23-4-1

Casing Schematic



Well name:	43047509670000 Chasel 3-23-4-1		
Operator:	NEWFIELD PRODUCTION COMPANY		
String type:	Surface	Project ID:	43-047-50967
Location:	UINTAH	COUNTY	

Design parameters:

Collapse

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 79 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft
Cement top: 93 ft

Burst

Max anticipated surface pressure: 308 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 350 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 306 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 6,905 ft
Next mud weight: 8.400 ppg
Next setting BHP: 3,013 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 350 ft
Injection pressure: 350 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	350	8.625	24.00	J-55	ST&C	350	350	7.972	1802
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	151	1370	9.046	350	2950	8.43	8.4	244	29.05 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: March 17, 2010
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 350 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43047509670000 Chasel 3-23-4-1		
Operator:	NEWFIELD PRODUCTION COMPANY		
String type:	Production	Project ID:	43-047-50967
Location:	UINTAH COUNTY		

Design parameters:

Collapse

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 171 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 907 ft

Burst

Max anticipated surface pressure: 1,469 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 2,988 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Non-directional string.

Tension is based on air weight.

Neutral point: 6,035 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	6905	5.5	15.50	J-55	LT&C	6905	6905	4.825	24382
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	2988	4040	1.352	2988	4810	1.61	107	217	2.03 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: March 17, 2010
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6905 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

ON-SITE PREDRILL EVALUATION**Utah Division of Oil, Gas and Mining**

Operator	NEWFIELD PRODUCTION COMPANY							
Well Name	Chasel 3-23-4-1							
API Number	43047509670000	APD No	2425	Field/Unit	MONUMENT BUTTE			
Location: 1/4,1/4	NENW	Sec	23	Tw	4.0S	Rng	1.0W	852 FNL 1997 FWL
GPS Coord (UTM)	588172	4441985	Surface Owner	Henderson Ranches LLC				

Participants

Floyd Bartlett (DOGM), Tim Eaton and Cheyenne Bateman (Newfield), Cory Miller (Tri-State Land Surveying).

Regional/Local Setting & Topography

The proposed location is approximately 11.7 road miles southeast of Myton, UT in Pleasant Valley, which drains into Pleasant Valley Wash. This wash drains into the Pariette Draw drainage of Uintah County. Both of these draws contain perennial streams somewhat consisting of irrigation runoff and seepage. Pariette Draw runs into the Green River approximately 6 miles downstream from Ouray, Utah and about 10 miles downstream from the location. The broad flats of Pleasant Valley that are frequently used for agriculture characterize the area. Flats are intersected by drainages with gentle to moderate side slopes. Access to the site is by State, County and existing or planned oil field development roads. Approximately 1590 feet of new construction across Henderson's private land will be required to reach the location.

The specific site for the proposed Chasel 3-23-4-1 oil well is in Pleasant Valley in rolling broken terrain north of a field irrigated by a pivot sprinkler. The topography drains northerly toward an additional wheel line irrigated field. A significant drainage exists beyond the site to the west and runs northerly. It probably contains a perennial stream. A small drainage, which begins immediately south, and upslope, runs thru the location. It will be filled during construction requiring no diversion. An additional drainage is off site to the east and will be crossed by the access road. The site should be suitable and stable for construction of the pad, drilling and operating the proposed well.

Henderson Ranches owns the surface of the location.

Surface Use Plan**Current Surface Use**

Grazing
Agricultural
Recreational
Wildlife Habitat

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.26	Width 204 Length 305	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate?**Environmental Parameters**

Affected Floodplains and/or Wetlands N

Flora / Fauna

Approximately 6 inches of snow covered the site. Identified vegetation included horsebrush, greasewood, broom snakeweed, Indian ricegrass, prickly pear, rabbit brush, aster, curly mesquite grass, tamarix and weedy annuals.

Cattle, deer, small mammals and birds.

Soil Type and Characteristics

Deep sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required? N

Berm Required? Y

Erosion Sedimentation Control Required? N

Paleo Survey Run? N **Paleo Potential Observed?** N **Cultural Survey Run?** N **Cultural Resources?**

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)		20
Distance to Surface Water (feet)	300 to 1000	2
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)		0
Affected Populations		
Presence Nearby Utility Conduits	Not Present	0
Final Score		47
		1 Sensitivity Level

Characteristics / Requirements

The reserve pit will be 40' x 80' x 8' deep located in an area of cut on the southeast side of the location. A pit liner is required. Newfield commonly uses a 16-mil liner.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

Floyd Bartlett
Evaluator

3/9/2010
Date / Time

Application for Permit to Drill

Statement of Basis

3/18/2010

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
2425	43047509670000	LOCKED	OW	P	No
Operator	NEWFIELD PRODUCTION COMPANY		Surface Owner-APD	Henderson Ranches LLC	
Well Name	Chasel 3-23-4-1		Unit		
Field	MONUMENT BUTTE		Type of Work	DRILL	
Location	NENW 23 4S 1W U 852 FNL 1997 FWL GPS Coord (UTM) 588168E 4441980N				

Geologic Statement of Basis

Newfield proposes to set 350' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 350'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of Section 23. The well is listed as domestic use with no production depth listed. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be an interconnected, high volume source of useable ground water. The proposed casing and cement should adequately protect usable ground water in this area.

Brad Hill
APD Evaluator

3/16/2010
Date / Time

Surface Statement of Basis

The proposed location is approximately 11.7 road miles southeast of Myton, UT in Pleasant Valley, which drains into Pleasant Valley Wash. This wash drains into the Pariette Draw drainage of Uintah County. Both of these draws contain perennial streams somewhat consisting of irrigation runoff and seepage. Pariette Draw runs into the Green River approximately 6 miles downstream from Ouray, Utah and about 10 miles downstream from the location. The broad flats of Pleasant Valley that are frequently used for agriculture characterize the area. Flats are intersected by drainages with gentle to moderate side slopes. Access to the site is by State, County and existing or planned oil field development roads. Approximately 1590 feet of new construction across Henderson's private land will be required to reach the location.

The specific site for the proposed Chasel 3-23-4-1 oil well is in Pleasant Valley in rolling broken terrain north of a field irrigated by a pivot sprinkler. The topography drains northerly toward an additional wheel line irrigated field. A significant drainage exists beyond the site to the west and runs northerly. It probably contains a perennial stream. A small drainage, which begins immediately south, and upslope, runs thru the location. It will be filed during construction requiring no diversion. An additional drainage is of site to the east and will be crossed by the access road. The site should be suitable and stable for construction of the pad, drilling and operating the proposed well.

Henderson Ranches owns the surface of the location. A surface use agreement has been signed and a cultural resource survey waived. Wayne and Tommy Henderson were met in the morning prior to the pre-site. They said they would only attend the evaluations for the few wells they had concerns with. They had no concerns regarding this location. The minerals are FEE owned by another party and under lease to Newfield Production Company.

Floyd Bartlett
Onsite Evaluator

3/9/2010
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
-----------------	------------------

**Application for Permit to Drill
Statement of Basis**

3/18/2010

Utah Division of Oil, Gas and Mining

Page 2

Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 2/26/2010

API NO. ASSIGNED: 43047509670000

WELL NAME: Chasel 3-23-4-1

OPERATOR: NEWFIELD PRODUCTION COMPANY (N2695)

PHONE NUMBER: 435 646-4825

CONTACT: Mandie Crozier

PROPOSED LOCATION: NENW 23 040S 010W

Permit Tech Review: ☒

SURFACE: 0852 FNL 1997 FWL

Engineering Review: ☒

BOTTOM: 0852 FNL 1997 FWL

Geology Review: ☒

COUNTY: UINTAH

LATITUDE: 40.12541

LONGITUDE: -109.96524

UTM SURF EASTINGS: 588168.00

NORTHINGS: 4441980.00

FIELD NAME: MONUMENT BUTTE

LEASE TYPE: 4 - Fee

LEASE NUMBER: Fee

PROPOSED PRODUCING FORMATION(S): GREEN RIVER

SURFACE OWNER: 4 - Fee

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- ☒ **PLAT**
- ☒ **Bond:** STATE/FEE - B001834
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☒ **Water Permit:** 43-7478
- ☐ **RDCC Review:**
- ☒ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

Commingle Approved

LOCATION AND SITING:

- ☐ **R649-2-3.**
- Unit:**
- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☒ **Drilling Unit**
- Board Cause No:** R649-3-2
- Effective Date:**
- Siting:**
- ☐ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations: 5 - Statement of Basis - bhill
23 - Spacing - dmason
25 - Surface Casing - ddoucet



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Chasel 3-23-4-1
API Well Number: 43047509670000
Lease Number: Fee
Surface Owner: FEE (PRIVATE)
Approval Date: 3/18/2010

Issued to:

NEWFIELD PRODUCTION COMPANY , Rt 3 Box 3630 , Myton, UT 84052

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the GREEN RIVER Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Surface casing shall be cemented to the surface.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:


All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:



For Gil Hunt
Associate Director, Oil & Gas

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee			
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		7. UNIT or CA AGREEMENT NAME:			
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052		8. WELL NAME and NUMBER: Chasel 3-23-4-1			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0852 FNL 1997 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 23 Township: 04.0S Range: 01.0W Meridian: U		9. API NUMBER: 43047509670000			
PHONE NUMBER: 435 646-4825 Ext		9. FIELD and POOL or WILDCAT: MONUMENT BUTTE			
COUNTY: UTAH		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 4/26/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: APD Change </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: APD Change
<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: APD Change			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Newfield requests to amend the proposed depth for the Chasel 3-23-4-1 from 6905' to 7155'. The new proposed depth will be 250' deeper than originally permitted. The change is necessary to give enough space for the rathole in order to complete the Basal Carbonate without having to drill out cement. The remainder of the APD will remain the same.					
Approved by the Utah Division of Oil, Gas and Mining		Date: May 18, 2010 By: 			
NAME (PLEASE PRINT) Mandie Crozier	PHONE NUMBER 435 646-4825	TITLE Regulatory Tech			
SIGNATURE N/A	DATE 4/26/2010				

Spud

BLM - Vernal Field Office - Notification Form

Operator Newfield Exploration

Rig Name/# Ross #29

Submitted By Mitch Benson

Phone Number (435) 823-5885

Name/Number CHASEL 3-23-4-1

Qtr/Qrt NE/NW Section 23 Township 4S Range 1W

Lease Serial Number Fee

API Number 43-047-50967

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time 5/22/2010 9:00:00 AM

Casing – Please report time casing run starts, not cementing times.

- ☒ Surface Casing
- ☐ Intermediate
- ☐ Production Casing
- ☐ Liner
- ☐ Other

Date/Time 5/22/2010 4:00:00 PM

Remarks:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL: FOOTAGES AT SURFACE: 0852 FNL 1999 FWL		8. WELL NAME and NUMBER: CHASEL 3-23-4-1W
OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: NENW, 23, T4S, R1W		9. API NUMBER: 4304750967
		10. FIELD AND POOL, OR WILDCAT: MYTON/TRIBAL EDA
		COUNTY: UINTAH
		STATE: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARITLY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
06/02/2010	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: - Spud Notice
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

On 5-22-10 MIRU ROSS spud rig #29. Drill 380' of 12 1/4" hole with air mist. TIH W/9 Jt's 8 5/8" J-55 24# csgn. Set @ 382.90. On 5-31-10 Cement with 180 sks of Class "G" w/ 2% CaCL+ 1/4# Cello Flake. Mixed @ 15.8 ppg> 1.17 cf/sk yeild. Returned 4 bbls cement to pit.

NAME (PLEASE PRINT) Xabier Lasa TITLE Drilling Foreman
SIGNATURE Xabier Lasa DATE 06/02/2010

(This space for State use only)

RECEIVED
JUN 07 2010
DIV. OF OIL, GAS & MINING

NEWFIELD PRODUCTION COMPANY - CASING & CEMENT REPORT

8 5/8" CASING SET AT

382.9

LAST CASING **8 5/8"** SET AT **382.9**

DATUM 12

DATUM TO CUT OFF CASING 12

DATUM TO BRADENHEAD FLANGE 12

TD DRILLER	380	LOGGER
------------	-----	--------

HOLE SIZE **12 1/4"**

OPERATOR Newfield Exploration Company

WELL CHASEL 3-23-4-1W

FIELD/PROSPECT **Monument Butte**

CONTRACTOR & RIG # **Ross # 29**

LOG OF CASING STRING:

[illegible]

[illegible]

COMPANY REPRESENTATIVE

DATE 5/31/2010

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

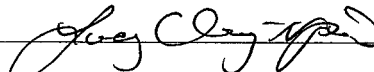
SUNDRY NOTICES AND REPORTS ON WELLS

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OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: NENW, 23, T4S, R1W		9. API NUMBER: 4304750967
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		COUNTY: UINTAH
		STATE: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
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	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 06/29/2010	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: - Weekly Status Report
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
The above subject well was completed on 06-29-10, attached is a daily completion status report.

NAME (PLEASE PRINT) Lucy Chavez-Naupoto TITLE Administrative Assistant
SIGNATURE  DATE 07/01/2010

(This space for State use only)

RECEIVED
JUL 06 2010
DIV. OF OIL, GAS & MINING

Daily Activity Report

Format For Sundry

CHASEL 3-23-4-1W**4/1/2010 To 8/30/2010****6/17/2010 Day: 1****Completion**

Rigless on 6/17/2010 - Ran CBL & perforated 1st stage. SIWFN w/ 169 BWTR. - NU frac head & Cameron BOP's. RU Hot oiler & test casing, frac head, frac valves & BOP to 4500 psi. RU WLT w/ mast & pack off tool. Run CBL under pressure. WLTD was 7066' w/ TOC @ 440'. RIH w/ 3 1/8" ported guns & perforate Wastach sds @ 6928- 6937' w/ (11 gram, .36"EH, 16.82¢ pen. 120°) 3 spf for total of 27 shots. RD WLT & Hot Oiler. SIFN w/ 169 BWTR.

Daily Cost: \$0**Cumulative Cost:** \$12,575**6/23/2010 Day: 2****Completion**

Rigless on 6/23/2010 - Frac stg #1. Perf & frac stgs #2-4. Flow back well - MIRU The Perforators WLT & crane. RU BJ Services frac equipment. Frac stage #1. Perforate & frac stages #2-4. RD BJ & WLT. EWTR 4137 BBLS. RU flowback equipment. Open well to pit for flowback @ 1:30 PM. Flowback well for 9 hrs to recover 1080 bbls. Turned to oil. Shut in well w/ 40 psi. Built 300 psi in 5 min. EWTR 3057 BBLS

Daily Cost: \$0**Cumulative Cost:** \$141,082**6/25/2010 Day: 3****Completion**

Nabors #147 on 6/25/2010 - MIRUSU Nabors #147. Set kill plug. Prep & tally tbg. TIH picking up & drifting tbg - MIRUSU Nabors #147. CSG 800 psi. Hot oiler had pumped 15 bw down csg @ 250°. RU The Perforators WLT. RIH w/ wireline & set kill plug @ 6080'. POOH w/ wireline. ND Cameron BOP. Break out NPC frac head. MU wellhead. NU Scheffer BOP. RU workfloor. Prep & tally tbg. MU 4 3/4" Weatherford chomp bit, bit sub & PSN. TIH picking up & drifting tbg. Get in hole w/ 24 jts tbg. Floorhand smashed finger in between tbg & tongs. SDFN - MIRUSU Nabors #147. CSG 800 psi. Hot oiler had pumped 15 bw down csg @ 250°. RU The Perforators WLT. RIH w/ wireline & set kill plug @ 6080'. POOH w/ wireline. ND Cameron BOP. Break out NPC frac head. MU wellhead. NU Scheffer BOP. RU workfloor. Prep & tally tbg. MU 4 3/4" Weatherford chomp bit, bit sub & PSN. TIH picking up & drifting tbg. Get in hole w/ 24 jts tbg. Floorhand smashed finger in between tbg & tongs. SDFN - Open well. TBG & CSG 0 spi. Continue picking up tbg. Get in hole w/ 196 jts tbg. Tag kill plug. RU power swivel & pump lines. Drill out plug. Continue picking up tbg to tag next plug @ 6330'. Drill out plug. Continue picking up tbg to tag next plug @ 6592'. Drill out plug. Continue picking up tbg to tag next plug @ 6780'. Drill out plug. Continue picking up tbg to tag sand @ 7005'. 110' sand. Clean out to PBTD @ 7115'. Circulate well clean. RD power swivel. LD 3 jts tbg. RU swab equipment. RIH w/ swab. IFL @ surface. Make 3 swab runs to recover 27 bw. Well began to flow. Flow back well for 2 hrs to recover 135 bbls. SWI. SDFN EWTR 2859 BBLS - Open well. TBG & CSG 0 spi. Continue picking up tbg. Get in hole w/ 196 jts tbg. Tag kill plug. RU power swivel & pump lines. Drill out plug. Continue picking up tbg to tag next plug @ 6330'. Drill out plug. Continue picking up tbg to tag next plug @ 6592'. Drill out plug. Continue picking up tbg to tag next plug @ 6780'. Drill out plug. Continue picking up tbg to tag sand @ 7005'. 110' sand. Clean out to PBTD @ 7115'. Circulate well clean. RD power swivel. LD 3 jts tbg. RU swab equipment. RIH w/ swab. IFL @ surface. Make 3 swab runs to recover 27 bw. Well began to flow. Flow back well for 2 hrs to recover 135 bbls. SWI. SDFN EWTR 2859 BBLS

Daily Cost: \$0

Cumulative Cost: \$150,448

6/28/2010 Day: 5

Completion

Nabors #147 on 6/28/2010 - Kill well. Trip tbg for production. - Open well. TBG 350 psi. CSG 620 PSI. Open tbg to flat tank. Well flowed back 70 bbls oil. Wait on brine wtr. Circulate well bore w/ 163 bbls 10# brine. Well standing dead. LD excess tbg (4 jts). TOOH w/ 225 jts 2 7/8" J-55 tbg. Get out of hole w/ tbg. LD bit & bit sub. MU btm hole assembly. TIH w. tbg detail & TIH w/ tbg detail @ follows. NC, 2 jts tbg, PSN, 2 jts, TAC, & 221 jts tbg. Get in hole w/ tbg. RD workfloor. ND BOP. Set TAC. MU B-1 adapter flange. Land tbg on wellhead w/ 18000# tension. SDFN.

Daily Cost: \$0

Cumulative Cost: \$164,982

6/29/2010 Day: 6

Completion

Nabors #147 on 6/29/2010 - PU rod detail. RU pumping unit. PWOP RDMOSU Nabors #147 - Safety stand down @ Nabors shop 8:00 AM - 1:00 PM. 2:00 PM. Open well. TBG 0 psi. Pick up & priome new Central Hydraulic 2 1/2" x 1 3/4" x 21' 24' RHAC pump. Trip in hole picking up rod detail @ follows. 6 - 1 1/2" wt bars, 20 - 3/4" guided rods, 152 - 3/4" plain rods, & 99 - 7/8" guided rods. Get in hole w/ rods. Space out pump w/ 1 - 2', 6', & 8' x 7/8" pony rods. MU new 1 1/2" x 26' polished rod. RU pumping unit. TBG standing full. Strke test pump to 800 psi w/ unit. Good pump action. RDMOSU Nabors #147. PWOP ON 6-29-10 @ 12:00 PM W/ 122" SL @ 4 1/2 SPM EWTR 2859 BBLS **Finalized**

Daily Cost: \$0

Cumulative Cost: \$239,580

Pertinent Files: Go to File List

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Reserv.,
Other: _____2. Name of Operator
NEWFIELD EXPLORATION COMPANY3. Address
1401 17TH ST. SUITE 1000 DENVER, CO 802023a. Phone No. (include area code)
(435)646-3721

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface 852' FNL & 1997' FWL (NE/NW) SEC. 23, T4S, R1W

At top prod. interval reported below

At total depth 7165'

14. Date Spudded
05/22/201015. Date T.D. Reached
06/14/201016. Date Completed
☐ D & A ☒ Ready to Prod.17. Elevations (DF, RKB, RT, GL)*
5045' GL 5057' KB18. Total Depth: MD 7165'
TVD19. Plug Back T.D.: MD 7115'
TVD20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

DUAL IND GRD, SP, COMP. DENSITY, COMP. NEUTRON, GR, CALIPER, CMT BOND

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8" J-55	24#	0	383'		180 CLASS G			
7-7/8"	5-1/2" J-55	15.5#	0	7160'		320 PRIMLITE		440'	
						450 50/50 POZ			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8"	EOT@ 7008'	TA @ 6881'						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Green River	GR-WS		6928-6937' Wasatch	.36"	3	27
B) Green River			6623-6731' CPL CP4 CP5	.36"	3	42
C) Green River			6423-6542' CP1 CP2 CP3	.36"	3	51
D) Green River			6123-6281' LODC	.36"	3	48

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
6928-6937'	Frac w/ 35441#s 20/40 sand in 233 bbls of Lightning 17 fluid.
6623-6731'	Frac w/ 74687#s 20/40 sand in 1956 bbls of slick water.
6423-6542'	Frac w/ 120052#s 20/40 sand in 744 bbls of Lightning 17 fluid.
6123-6281'	Frac w/ 100509#s 20/40 sand in 621 bbls of Lightning 17 fluid.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
6-28-10	7-10-10	24	→	68	34	27			2-1/2" x 1-3/4" x 21' x 24' RHAC Pump
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→					PRODUCING	

38a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

Rec.
7/19/2010

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (*Solid, used for fuel, vented, etc.*)

SOLD & USED FOR FUEL

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

GEOLOGICAL MARKERS

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				GARDEN GULCH MRK GARDEN GULCH 1	4501' 4691'
				GARDEN GULCH 2 POINT 3	4813' 5113'
				X MRKR Y MRKR	5322' 5358'
				DOUGALS CREEK MRK BI CARBONATE MRK	5498' 5796'
				B LIMESTON MRK CASTLE PEAK	5943' 6364'
				BASAL CARBONATE WASATCH	6747' 6868'

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
☒ Other: Drilling Daily Activity

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (*please print*) Lucy Chavez-NaupotoTitle Administrative AssistantSignature Date 07/12/2010

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Daily Activity Report**Format For Sundry****CHASEL 3-23-4-1W****4/1/2010 To 8/30/2010****CHASEL 3-23-4-1W****Waiting on Cement****Date:** 5/28/2010

Ross #29 at 383. Days Since Spud - 1.17 yield. Returned 4 bbls back to pit - @382.9' KB, On5-31-10 cement w/ BJ w/180 sks of class G+2%KCl+.25#CF mixed @ 15.8ppg and - On 5-22-10 Ross # 29 spud and drill 380' of 12 1/4" hole,P/u and run 9 jts of 8 5/8" J55,24# STC set - BLM and State were notified via email.

Daily Cost: \$0**Cumulative Cost:** \$44,835

CHASEL 3-23-4-1W**Waiting on Cement****Date:** 6/10/2010

NDSI #1 at 1958. 1 Days Since Spud - NO H2S or flow in last 24 hours - Tag @ 325' drill 7 7/8" hole F/ 325' to 1958' w/ 15K WOB,TRPM-127,GPM-350,Avg ROP-121 ft/hr - Pick up bit, M.M, NMDC,Gap sub, and drill collars - Test Kelly,pipe &blind rams,choke manifold to 2000#/10min and casing to 1500#/30 min. - Move .5 mile w/ RW Jones and set equipment and rig up - Test Extreme tool and work on Pason

Daily Cost: \$0**Cumulative Cost:** \$74,012

CHASEL 3-23-4-1W**Drill 7 7/8" hole with fresh water****Date:** 6/11/2010

NDSI #1 at 4055. 2 Days Since Spud - Safety Stand down and rig service check crownomatic and BOP - Drill 7 7/8" hole F/ 2647' to 4055' w/ 15K WOB,TRPM-130,GPM-355,Avg ROP-86 ft/hr - No H2S or flow in last 24 hours - Drill 7 7/8" hole f/ 1958' to 2647' w/ 15K WOB,TRPM-130,GPM-355,Avg ROP-114 ft/hr

Daily Cost: \$0**Cumulative Cost:** \$93,931

CHASEL 3-23-4-1W**Drill 7 7/8" hole with fresh water****Date:** 6/12/2010

NDSI #1 at 5559. 3 Days Since Spud - No H2S or flow in last 24 hours - Drill 7 7/8" hole F/ 4055' to 4775' w/ 18K WOB,TRPM-126,GPM-355,Avg ROP-90 ft/hr - Rig Service , check crownomatic and BOP - Drill 7 7/8" hole F/4775' to 5089' w/ 20K WOB,TRPM-126,GPM-355,Avg ROP-79 ft/hr - Brake pad come off, band cracked, changed out brakes - Drill 7 7/8" hole F/ 5089' to 5559' to 20K WOB,TRPM-126,GPM-355,Avg ROP-94 ft/hr

Daily Cost: \$0**Cumulative Cost:** \$136,624

CHASEL 3-23-4-1W**Lay Down Drill Pipe/BHA****Date:** 6/13/2010

NDSI #1 at 7165. 4 Days Since Spud - Drill 7 7/8" hole F/ 5809' to 7165' w/ 20K WOB,TRPM-126,GPM-334,Avg ROP-90 ft/hr - TD - Rig service funtion test pipe rams and crownomatic - Drill 7 7/8" hole F/ 5559' to 5809' w/ 20K WOB,TRPM-126,GPM-340,Avg ROP-90 ft/hr - Lay down to 4000' - Circulate for logs - Lay down DP,BHA and extreme tools - Pump 320 bbls of brine

Daily Cost: \$0

Cumulative Cost: \$153,602

CHASEL 3-23-4-1W**Wait on Completion****Date:** 6/14/2010

NDSI #1 at 7165. 5 Days Since Spud - Circulate csg w/rig pump - CMT w/BJ Pump 320 sks PL II +3% KCL +5#CSE+0.5#CF+2#KOL+.5SMS+FP+SF mixed @ 11ppg - yield @ 3.54 Then tail of 450 sk 50:50:2+3%KCL+0.5%EC-1+.25# SK CF+.05#SF+.3SMS+FP-6L - R/U QT csg run 164jt 5.5 15.5# j-55 LTC-tag -GS set @7159.92' KB -FC set @ 7102.85' KB - Test csg rams @ 2000 Psi - R/U Halliburton run DISGL/SP/GR suite TD to surface- DSN/SDL/GR/CAL suite TD to 3000' LTD 7166' - Lay down BHA and Extreme tools - Release rig @ 2:00 am on 6/14/10 - Clean Mud tanks - Tear down - Mixed @ 14.4 ppg yeild @ 1.24 return.5 bbls to pit Bump plug to 2348 psi - Nipple down set 5.5 csg slips w/ 110,000# tention **Finalized**

Daily Cost: \$0**Cumulative Cost:** \$291,046

Pertinent Files: Go to File List

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM -FORM 6

OPERATOR: NEWFIELD PRODUCTION COMPANY
ADDRESS: RT. 3 BOX 3630
MYTON, UT 84052

OPERATOR ACCT. NO. N2695

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
O	99999	17688	4301350264	HANCOCK 2-22-4-1	NWNE	22	4S	1W	DUCHESNE	6/4/2010	7/6/10 8/19/10
WELL 1 COMMENTS: CHANGE FORMATION F/ GRRV TO GR-WS											
O	99999	17633	4301350292	UTE TRIBAL 15-27-4-3	SWSE	27	4S	3W	DUCHESNE	6/2/2010	7/2/10 8/19/10
CHANGE FORMATION F/ GRRV TO GR-WS											
O	99999	17608	4304740502	UTE TRIBAL 7-30-4-1E	SWNE	30	4S	1E	UINTAH	4/27/2010	6/5/10 8/19/10
CHANGE FORMATION F/ GRRV TO GR-WS											
O	99999	17634 17643	4304750967	CHASEL 3-23-4-1	NENW	23	4S	1W	UINTAH	5/22/2010	6/28/10 8/19/10
CHANGE FORMATION F/ GRRV TO GR-WS											
WELL 5 COMMENTS:											
WELL 5 COMMENTS:											

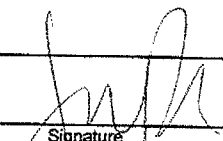
ACTION CODES (See instructions on back of form)

- A - 1 new entity for new well (single well only)
- B - well to existing entity (group or unit well)
- C - from one existing entity to another existing entity
- D - well from one existing entity to a new entity
- E - other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

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AUG 10 2010

DIV. OF OIL, GAS & MINING

Signature: 
Jentri Park
Production Clerk
Date: 08/10/10

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR: NEWFIELD PRODUCTION COMPANY
ADDRESS: RT. 3 BOX 3630
MYTON, UT 84052

OPERATOR ACCT. NO. N2695

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	17633	4301350292	UTE TRIBAL 15-27-4-3	SWSE	27	4S	3W	DUCHESNE	6/2/2010	6/7/10
WELL 1 COMMENTS: GRRV											
B	99999	17400	4301334158 4301334159	LONE TREE FEDERAL H-22-9-17	SENW	22	9S	17E	DUCHESNE	5/17/2010	6/7/10
GRRV BHL = NWNE											
A	99999	17634	4304750967	CHASEL 3-23-4-1W	NENW	23	4S	1W	UINTAH	5/22/2010	6/7/10
GRRV											
B	99999	17400	4304740411	CASTLE DRAW ST H-2-9-17	NENW	2	9S	17E	UINTAH	5/24/2010	6/7/10
GRRV BHL = NENW											
b	99999	17400	4301350110	MON BUTTE EAST M-36-8-16	SENW	36	8S	16E	DUCHESNE	5/22/2010	6/7/10
WELL 5 COMMENTS: GRRV BHL = SENW											
B	99999	17400	4301350109	MON BUTTE EAST G-36-8-16	SENW	36	8S	16E	DUCHESNE	5/24/2010	6/7/10
WELL 5 COMMENTS: GRRV BHL = NWNW											

ACTION CODES (See instructions on back of form)

- A - new entity for new well (single well only)
- B - well to existing entity (group or unit well)
- C - from one existing entity to another existing entity
- D - well from one existing entity to a new entity
- E - other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

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JUN 02 2010

DIV. OF OIL, GAS & MINING

Signature

Production Clerk

Jentri Park

06/02/10

Date